

# ARBOR II CONDO DOCS

## RULES AND REGULATIONS FOR

## ARBOR LAKE CONDOMINIUM NO. "2"

1. The sidewalks, entrances, and like portions of the Common Elements shall not be obstructed nor used for any purpose other than for ingress and egress to and from the Condominium Property; nor shall any carts, bicycles, carriages, chairs, tables or any other similar objects be stored therein.
2. The personal property of Unit Owners must be stored in their respective Units or in storage areas.
3. No garbage cans, supplies, milk bottles or other articles shall be placed on the balconies or other Common Elements. No linens, cloths, clothing, curtains, rugs, mops or laundry of any kind, or other articles, shall be shaken or hung from any of the windows, doors, fences, balconies, terraces or other portions of the Condominium Property.
4. No Unit Owners shall permit anything to fall from a window or door of the Condominium Property, nor sweep or throw from the Condominium Property any dirt or other substance into any of the balconies or upon the Common Elements.
5. All refuse must be deposited with all other refuse in areas designated for such purpose by the Developer.
6. Parking designated on the property of the Property Owners Association areas are solely for non-commercial automobiles with a current passenger vehicle registration.
7. Employees of the Association are not to be sent out by Unit Owners for personal errands. The Board of Directors shall be solely responsible for directing and supervising employees of the Association.
8. No vehicle which cannot operate on its own power shall remain on the property of the Property Owners Association for more than twenty-four (24) hours, and no repair of vehicles shall be made on such property.
9. No Unit Owner shall make or permit any disturbing noises in his Unit by himself or his family, servants, employees, agents, visitors or licensees, nor permit any conduct by such persons that will interfere with the rights, comforts or conveniences of other Unit Owners. No Unit Owner shall play or permit to be played any musical instrument, nor operate or permit to be operated a phonograph, television, radio, or sound amplifier in his Unit in such a manner as to disturb or annoy other residents. No Unit Owner shall conduct or permit to be conducted, vocal or instrumental instruction at any time which disturbs other residents.
10. No radio or television installation may be permitted in any Unit which interferes with the television or radio reception of another Unit.
11. No sign, advertisement, notice or other lettering shall be exhibited, displayed, inscribed, painted or affixed in, on or upon any part of the Condominium Property, except signs used or approved by the Developer. Additionally, no awning, canopy, shutter or other projection shall be attached to or placed upon the outside walls or roof of the building or on the Common Elements.
12. The Association may retain a pass key to all Units. No Unit Owner shall alter any lock or install a new lock without the prior written consent of the Board of Directors. Where such consent is given, the Unit Owner shall provide the Association with an additional key.
13. Barbecuing shall be permitted only in designated areas.

14. No flammable, combustible or explosive fluids, chemicals or substances shall be kept in any Unit or on the Common Elements, except for use in barbecuing.
15. A Unit Owner who plans to be absent during the hurricane season must prepare his Unit prior to his departure by designating a responsible firm or individual to care for his Unit should the Unit suffer hurricane damage, and furnishing the Association with the name(s) of such firm or individual. Such firm or individual shall be subject to the approval of the Association.
16. Food and beverages may not be consumed outside of a Unit except in designated areas.
17. A Unit Owner shall not cause anything to be affixed or attached to, hung, displayed or placed on the exterior walls, doors, balconies or windows of the Building. Curtains and drapes (or linings thereof) which face on exterior windows or glass doors of Units shall be subject to disapproval by the Board, in which case they shall be removed and replaced with acceptable items.
18. No structure of a temporary character, nor trailer, tent, mobile home or recreational vehicle, shall be permitted on the property owned by the Property Owners Association at any time or used on such property at any time as a residence either temporarily or permanently. No gas tank, gas container or gas cylinder shall be permitted, except small containers for use in gas barbecues.
19. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted on, upon or in the Condominium Property, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in the Condominium Property. No derrick or other structure designed for use in boring for oil, natural gas or minerals shall be erected, maintained or permitted upon any portion of the Condominium Property.
20. No trucks or commercial vehicles, campers, mobile homes, motor-homes, house trailers or trailers of every other description, recreational vehicles, boats or boat trailers or vans shall be permitted to be parked or to be stored at any place on the property owned by the Property Owners Association. This prohibition of parking shall not apply to temporary parking of trucks and commercial vehicles, such as for pick-up, delivery and other temporary commercial services, nor to any of the Developer's vehicles.
21. The requirements from time to time of any governmental agency for disposal or collection shall be complied with. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition.
22. No air-conditioning units may be installed by Unit Owners. No Unit shall have any aluminum foil placed in any window or glass door or any reflective substance placed on any glass.
23. No exterior antennae shall be permitted on the Condominium Property or improvements thereon provided that Developer shall have the right to own, install and maintain community antennae and radio and television lines and other temporary communications systems.
24. No chain link fences shall be permitted on the Condominium Property or any portion thereof, except during construction by the Developer.
25. Children will be the direct responsibility of their parents or legal guardians, including full supervision of them while within the Condominium Property and including full compliance by them of these restrictions and all the rules and regulations of the Association. All children under fourteen (14) years of age must be accompanied by a responsible adult when entering and/or utilizing the recreation areas or other commonly used facilities owned by the Property Owners Association.

26. No animals or pets of any kind, except as may otherwise be provided in the Declaration, shall be kept in any Unit.

27. No Unit Owner shall install a screen enclosure to or upon the outside walls of the building or on the Common Elements or Limited Common Elements without the prior consent of the Board of Directors.

28. Every Owner and occupant shall comply with these Rules and Regulations as set forth herein, and any and all rules and regulations which from time to time may be adopted, and the provisions of the Declaration, By-Laws and Articles of Incorporation of the Association, as amended from time to time. Failure of any Owner or occupant to so comply shall be grounds for action which may include, without limitation, an action to recover sums due for damages, injunctive relief, or any combination thereof. The Association shall have the right to suspend the use of the recreation facilities in the event of failure to so comply. In addition to all other remedies, in the sole discretion of the Board of Directors of the Association, a fine or fines may be imposed upon an Owner for failure of an Owner, his family, guests, invitees or employees, to comply with any covenant, restriction, rule or regulation herein or in the Declaration, or Articles of Incorporation or By-Laws, provided the following procedures are adhered to:

- (a) Notice: The Association shall notify the Owner or occupant of the infraction or infractions. Included in the notice shall be a date and time of the next Board of Directors meeting at which time the Owner or occupant shall present reasons why penalties should not be imposed. At such meeting, the Owner or occupant shall be entitled to be represented by counsel (at his expense) and cross-examine the present witnesses and other testimony or evidence.
- (b) Hearing: The non-compliance shall be presented to the Board of Directors after which the Board of Directors shall hear reasons why penalties should not be imposed. Formal rules of evidence shall not apply. A written decision of the Board of Directors shall be submitted to the Owner or occupant by not later than twenty-one (21) days after the Board of Directors' meeting.
- (c) Penalties: The Board of Directors may impose special Assessments against the applicable Unit as follows:
  - (1) First non-compliance or violation: a fine not in excess of One Hundred Dollars (\$100.00).
  - (2) Second non-compliance or violation: a fine not in excess of Five Hundred Dollars (\$500.00).
  - (3) Third and subsequent non-compliance or violation or violations which are of a continuing nature: a fine not in excess of One Thousand Dollars (\$1,000.00).
- (d) Payment of Penalties: Fines shall be paid not later than thirty (30) days after notice of the imposition or assessment of the penalties.
- (e) Collection of Fines: Fines shall be treated as an Assessment subject to the provisions for the collection of Assessments as set forth in the Declaration and By-Laws.
- (f) Application of Penalties: All monies received from fines shall be allocated as directed by the Board of Directors.
- (g) Non-exclusive Remedy: These fines shall not be construed to be exclusive and shall exist in addition to all other rights and remedies to which the Association may be otherwise legally entitled; however, any penalty paid by the offending Owner shall be deducted from or offset against any damages which the

REC 1765 164744

Association may otherwise be entitled to recover by law from such Owner.

29. These Rules and Regulations shall not apply to the Developer, nor its agents or employees and contractors, or to Institutional First Mortgagees, nor to the Units owned by either the Developer or such Mortgagees. All of these rules and regulations shall apply, however, to all other Owners and occupants even if not specifically so stated in portions hereof. The Board of Directors shall be permitted (but not required) to grant relief to one or more Unit Owner from specific rules and regulations upon written request therefor and good cause shown in the sole opinion of the Board.

CLERK OF CIRCUIT COURT

*Charlize*

Clerk

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RECORDS  
LEE COUNTY, FLORIDA  
RECORD VERIFIED

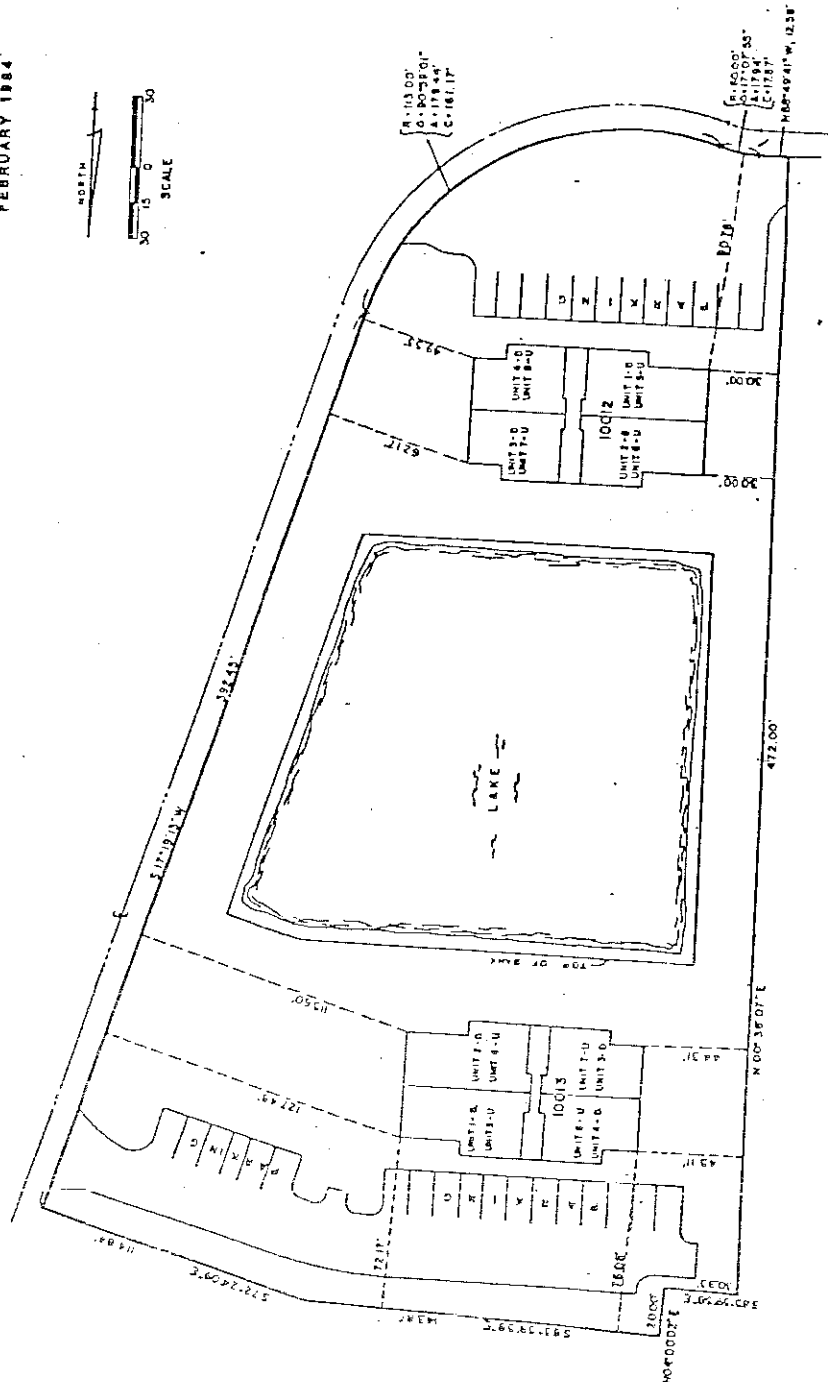
**SURVEYOR'S PLAT EXHIBIT \* TO CONDOMINIUM DECLARATION OF  
ARBOR LAKES CONDOMINIUM #2  
A CONDOMINIUM!**

A PARCEL LYING IN SECTION 36, T-43S, R-24E, LEE COUNTY, FLORIDA

**INDEX OF**

Harold P. Davis & Associates, Inc.  
Consulting Engineers and Surveyors  
2230 McGowan Blvd. (Rt. 1) A-1-1344  
PORT MYRTLE, ALABAMA 36567

FEBRUARY 1984



SCHEDULE "A"

REC 1765 164741

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ARBOR LAKE CONDOMINIUM NO. "2"

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CLERK OF CIRCUIT COURT

*Charlie Green*

Clerk

JAN 30 10 56 AM '85

RECORDED IN OFFICIAL  
RECORDS  
LEE COUNTY, FLORIDA  
RECORD VERIFIED

1765 1715

# State of Florida



Department of State

I certify that the attached is a true and correct copy of the Articles  
of Incorporation of

ARBOR LAKE CONDOMINIUM NO. 2 ASSOCIATION, INC.

a corporation organized under the Laws of the State of Florida,  
filed on JANUARY 28, 1985

The charter number for this corporation is N07323



Given under my hand and the  
Great Seal of the State of Florida,  
at Tallahassee, the Capital, this the  
28th day of January 1985

George Firrstone  
Secretary of State

WP-104 CER-101

## DECLARATION OF

## ARBOR LAKE CONDOMINIUM NO. 2

LENNAR HOMES, INC., a Florida corporation, (hereinafter called the "Developer") does hereby declare as follows:

1. Introduction and Submission.

1.1 The Land. The Developer owns the fee title to certain real property located in Lee County, Florida, as more particularly described in Exhibit "1" attached hereto (the "Land").

1.2 Submission Statement. The Developer hereby submits the Land and all Improvements erected or to be erected thereon, all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith, less and except as defined in this Declaration, to the condominium form of ownership and use in the manner provided by the Florida Condominium Act as it exists on the date hereof.

1.3 Name. The name by which this condominium is to be identified is: ARBOR LAKE CONDOMINIUM NO. 2 (hereinafter called the "Condominium").

2. Definitions. The following terms which are used in this Declaration and in its exhibits, and as they may hereafter be amended, shall have the meaning described to them in this Section, except where the context clearly indicates a different meaning:

2.1 "Act" means the Condominium Act (Chapter 718 of the Florida Statutes) as it exists on the date hereof and as hereafter renumbered.

2.2 "Articles" means the Articles of Incorporation of the Association.

2.3 "Assessment" means a share of the funds required for the payment of Common Expenses which, from time to time, is assessed against the Unit Owner, and such additional sums which may be assessed directly against one or more Unit Owners (though not necessarily against other Unit Owners).

2.4 "Association" means Arbor Lake Condominium No. 2 Association, Inc., a not-for-profit Florida corporation, the entity responsible for the operation of the Condominium.

2.5 "Property Owners Association" means the Foxmoor Lakes Association, Inc., a Florida corporation not-for-profit, the entity responsible for the maintenance and operation of the Recreational Facilities and other Common Areas as defined in the Declaration of Covenants and Restrictions.

2.6 "Building" means the structure or structures in which the Units are located on the Condominium Property.

2.7 "By-Laws" means the By-Laws of the Association.

2.8 "Common Elements" means and includes:

(a) The portions of the Condominium Property which are not included within the Units;

(b) Easements through Units for conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility and other services to Units and Common Elements;

(c) An easement of support in every portion of the Unit which contributes to the support of the Building;

RECORD VERIFIED - CHARLIE GREEN, CLERK  
BY: J. TURNER, D.C.

- (d) The property and installations required for the furnishing of utilities and other services to more than one Unit or to the Common Elements;
- (e) Any other parts of the Condominium Property designated as Common Elements in the Declaration.
- (f) Common Elements includes Limited Common Elements unless the context otherwise requires.
- 2.9 "Limited Common Elements" means and includes those Common Elements which are reserved for the use of a certain Unit or Units to the exclusion of all other Units as specified in this Declaration.
- 2.10 "Common Expenses" means all expenses incurred by the Association for the Condominium.
- 2.11 "Common Surplus" means the excess of all receipts of the Association, including but not limited to, assessments, rents, profits and revenues on account of the Common Elements, above the amount of Common Expenses.
- 2.12 "Condominium Parcel" means a Unit together with the undivided share in the Common Elements which is appurtenant to said Unit, and when the context permits, the term includes all other appurtenances to the Unit.
- 2.13 "Condominium Property" means the land and personal property that is subject to condominium ownership under the Declaration, all improvements on the land, and all easements and rights appurtenant thereto intended for use in connection with the Condominium.
- 2.14 "Declaration" or "Declaration of Condominium" means the instrument or instruments by which the Condominium will be created.
- 2.15 "Developer" shall mean and refer to Lennar Homes, Inc., a Florida corporation, its successors and such of its assigns as to which the rights of Developer hereunder are specifically assigned. Developer may assign only a portion of its rights hereunder, or all or a portion of such rights in connection with appropriate portions of the Condominium. In the event of such a partial assignment, the assignee shall not be deemed the Developer, but may exercise such rights of the Developer assigned to it. Any such assignment may be made on a non-exclusive basis.
- 2.16 "Improvements" means all structures and artificial changes to the natural environment (exclusive of landscaping) on the condominium Property, including but not limited to, the Building.
- 2.17 "Management Contract" means and refers to that certain agreement which provides for the management of the Condominium Property.
- 2.18 "Management Firm" means and refers to the corporation, its successors and assigns, identified as the Management Firm in the Management Contract. The Management Firm shall be responsible for the management of the Condominium Property as provided in the Management Contract.
- 2.19 "Unit" means a part of the Condominium Property which is subject to exclusive ownership.
- 2.20 "Unit owner" or "Owner of a Unit" means the Owner of a Condominium Parcel.
- 2.21 "County" shall mean Lee County, Florida.
- 2.22 "Institutional First Mortgagee" means a bank, savings and loan association, insurance company, mortgage banker, real estate or mortgage investment trust, pension fund, Developer, GNMA, FNMA, FHLMC, VA, FHA, or any other lender, or its loan correspondent or agency of the United States Government, holding, guaranteeing or insuring a first mortgage on a Unit or Units.

2.23 "Primary Institutional First Mortgagee" means the Institutional First Mortgagee which owns at any time first mortgages encumbering Units which secure a greater aggregate indebtedness than is owed to any other Institutional First Mortgagee.

3. Description of Condominium.

3.1 Identification of Units. The Land has constructed thereon two (2) Buildings containing a total of eight (8) Units each. Each such Unit is identified by a separate numerical or alpha-numerical designation. The designation of each of such Units is set forth on Exhibit "3" attached hereto. Exhibit "3" consists of a survey of the Land, a graphic description of the Improvements located thereon, including, but not limited to, the Building in which the Units are located and a plot plan thereof. Said Exhibit "3", together with this Declaration is sufficient in detail to identify the Common Elements and each Unit and their relative locations and approximate dimensions. There shall pass with a Unit, a appurtenances thereto; (a) an undivided share in the Common Elements and Common Surplus; (b) the exclusive right to use such portion of the Common Elements as may be provided in this Declaration; (c) an exclusive easement for the use of the airspace occupied by the Unit as it exists at any particular time and as the Unit may lawfully be altered or reconstructed from time to time, provided that an easement in airspace which is vacated shall be terminated automatically, and (d) other appurtenances as may be provided in this Declaration. Time-share estates will not be created with respect to any Unit in the Condominium.

3.2 Unit Boundaries. Each Unit shall include that part of the Building containing the Unit that lies within the boundaries of the Unit, which boundaries are as follows:

(a) Upper and lower boundaries. The upper and lower boundaries of the Unit shall be the following boundaries extended to an intersection with the perimetrical boundaries:

FIRST FLOOR

- (i) Upper boundaries. The horizontal plane of the unfinished lower surface of the ceiling consisting of dry wall.
- (ii) Lower boundaries. The horizontal plane of the unfinished upper surface of the wood floor.

SECOND FLOOR

- (i) Upper boundaries. The horizontal plane(s) of the unfinished lower surface of the ceiling consisting of dry wall.
- (ii) Lower boundaries. The horizontal plane of the unfinished upper surface of the plywood subflooring.
- (b) Perimetrical boundaries. The perimetrical boundaries of the Unit shall be the vertical planes of the unfinished interior of the walls bounding the Unit extended to intersections with each other and with the upper and lower boundaries.

3.3 Limited Common Elements. Each Unit shall have, as Limited Common Elements appurtenant thereto:

(a) Patios and Balconies. Each Unit shall have either a patio or balcony abutting it for the exclusive use of the Unit Owner owning such Unit. The Unit Owner shall be responsible for maintenance and care of the patio or balcony, including, without limitation, all wiring, electric outlets, lighting fixtures and screening. A Unit Owner may not enclose exterior patios or balconies without the prior written consent of the Management Firm, if applicable, and the Board of Directors of the Association.

(b) Storage Space and Utility Space. Storage space and/or Utility Space is located within each patio or balcony area and shall be used exclusively by the Unit Owner entitled to make exclusive use of said patio or balcony.

(c) Air conditioner condensing unit. If located within the Condominium Property, each Unit Owner shall be responsible for the maintenance and care of the air conditioner condensing unit.

(d) Mailboxes. Each Unit shall be entitled to the exclusive use of one (1) mailbox which the Developer shall assign to the Unit at closing.

(e) Automobile Parking Spaces. The automobile parking spaces shall be Limited Common Elements of the Units with respect to which space or spaces are assigned.

(i) Assigned Spaces for Units.

Each Unit shall be entitled to the exclusive use of one (1) parking space which the Developer shall assign to the Unit at closing. Thereafter, the Board of Directors of the Association shall be empowered to change said assignments, provided the Unit Owners affected by such change consent thereto, and provided that no changes may be made without the prior consent of the Developer so long as the Developer owns any Units. Assignments (or changes in assignments) made pursuant to this subsection (i) shall be in writing (but not recorded in the Public Records) with a copy furnished to the Board of Directors.

(ii) Nature of Assignment.

An assignment of any parking space grants only the exclusive use thereof as a Limited Common Element appurtenant to the particular Unit and does not convey any title thereto. Any transfer, or subsequent assignment as contemplated above, shall operate to transfer only the exclusive use of such space(s). Except as provided specifically in subsection (i) above, the space(s) assigned to the Unit pursuant to such subsection (i) shall not be assignable except together with the applicable Unit and the form of Assignment given by the Developer shall so note. In the event a Unit Owner leaves his space(s) vacant while he is away from the Unit for an extended period, the Association shall be entitled to allow other persons to use said space(s) while they remain vacant.

3.4 Easements. The following easements are hereby created (in addition to any easements created under the Act).

(a) Support. Each Unit shall have an easement of support and of necessity and shall be subject to an easement of support and necessity in favor of all other Units and the Common Elements.

(b) Utility and Other Services; Drainage. Easements are reserved under, through and over the Condominium Property as may be required from time to time for utility and other services and drainage in order to serve the Condominium. A Unit Owner shall do nothing within or outside his Unit that interferes with or impairs, or may interfere with or impair, the provision of such utility or other services or drainage facilities or the use of these easements. The Board of Directors of the Association or its designee shall inspect same, to maintain, repair or replace the pipes, wires, ducts, vents, cables, conduits and other utility, service and drainage facilities and Common Elements contained in the Unit or elsewhere in the Condominium Property.

(c) Encroachments. If (a) any portion of the Common Elements encroaches upon any Unit; (b) any Unit encroaches upon any other

Unit or upon any portion of the Common Elements; or (c) any encroachment shall hereafter occur as a result of (i) construction of the Improvements; (ii) settling or shifting of the Improvements; (iii) any alteration or repair to the Common Elements made by or with the consent of the Association, or (iv) any repair or restoration of the Improvements (or any portion thereof) or any Unit after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any Unit or the Common Elements, then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same so long as the Improvements shall stand.

(d) Ingress and Egress. A non-exclusive easement in favor of each Unit Owner and Occupant, their respective guests and invitees, shall exist for pedestrian traffic over, through and across side-walks, streets, paths, walks and other portions of the Common Elements as from time to time may intended and designated for such purpose and use (if any); and for vehicular and pedestrian traffic over, through and across such portions of the Common Elements as from time to time may be paved and intended for such purposes (if any). None of the easements specified in this Subparagraph (d) shall be encumbered by any leasehold or lien other than those on the Condominium Parcels. Any such lien encumbering such easements (other than those on Condominium Parcels) shall automatically be subordinate to, the rights of Unit Owners with respect to such easements.

(e) Construction; Maintenance. The Developer (including its designees, contractors, successors and assigns) shall have the right, in its and their sole discretion, from time to time, to enter the Condominium Property and take all other action necessary or convenient for the purpose of completing the construction thereof, of any Improvements or Unit located or to be located thereon, and for repair, replacement and maintenance purposes where the Association fails to do so, provided such activity does not prevent or unreasonably interfere with the use or enjoyment by the Unit Owners of the Condominium Property.

(f) Sales Activity. For as long as there are any unsold Units, the Developer, its designees, successors and assigns, shall have the right to use any such Units and parts of the Common Elements for model apartments and sales offices, to show model apartments and the Common Elements to prospective purchasers and tenants of the Units, and to erect on the Condominium Property signs and other promotional material to advertise Units and certain Limited Common Elements for sale or lease.

(g) Developer's Warranty. For as long as Developer is liable under the terms of its Warranty in favor of the Unit Owners and Association, Developer, including its designees and Contractors shall have the right, in its and their sole discretion, from time to time, to enter the Condominium Property or any improvements or Units located thereon, for repair or replacement purposes and take all other action necessary or convenient for the purpose of fulfilling its obligations under the Warranty.

(h) Additional Easements. The Developer (so long as it owns any Units) and the Association, on their behalf and on behalf of all Unit Owners (each of whom hereby appoints the Developer and the Association as their attorney-in-fact for this purpose), each shall have the right to grant such additional electric, gas, other utility or service or other easements, or relocate any existing easements or drainage facilities, in any portion of the Condominium Property, and to grant access easements or relocate any existing access easements in any portion of the Condominium Property, as the Developer or the Association shall deem necessary or desirable for the proper operations and maintenance of the Improvements, or any portion thereof, or for the general health or welfare of the Unit Owners, or for the purpose of carrying out any provisions of this Declaration or otherwise, provided that such easements or the relocation of existing easements will not prevent or unreasonably



interfere with the reasonable use of the Units for dwelling purposes.

(1) Governmental Personnel. A right of entry over, through and across the Common Elements is hereby granted to law enforcement officers, fire and rescue personnel and sanitation personnel as needed to carry out their duties, including enforcement of cleared emergency vehicle access.

4. Restraint Upon Separation and Partition of Common Elements. The undivided share in the Common Elements and Common Surplus which is appurtenant to a Unit, and except as provided herein, the exclusive right to use all appropriate appurtenant Limited Common Elements, shall not be separated therefrom and shall pass with the title to the Unit, whether or not separately described. The appurtenant share in the Common Elements and Common Surplus, and the exclusive right to use all Limited Common Elements appurtenant to a Unit, cannot be conveyed or encumbered except together with the Unit. The respective shares in the Common Elements appurtenant to Units shall remain undivided, and no action for partition of the Common Elements, the Condominium Property, or any part thereof, shall lie, except as provided herein with respect to termination of the Condominium.

5. Ownership of Common Elements and Common Surplus and Share of Common Expenses; Voting Rights.

5.1 Percentage Ownership and Shares. The undivided percentage interest in the Common Elements and Common Surplus, and the percentage share of the Common Expenses appurtenant to each Unit, is set forth in Exhibit "2" annexed hereto.

5.2 Voting. Each Unit shall be entitled to one vote to cast by its Owner in accordance with the provisions of the By-Laws and Articles of Incorporation of the Association. Each Unit Owner shall be a member of the Association.

6. Amendments. Except as elsewhere provided herein, amendments may be effected as follows:

6.1 By the Association. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is to be considered. A resolution for the adoption of a proposed amendment may be proposed either by a majority of the Board of Directors of the Association or by not less than one-third (1/3) of the members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, provided that such approval is delivered to the secretary at or prior to the meeting. Except as elsewhere provided, approvals must be by affirmative vote of:

(a) Unit Owners owning in excess of 50% of the Units represented at any meeting at which a quorum has been attained and by not less than 66-2/3% of the Board of Directors of the Association; or

(b) Unit Owners owning not less than 80% of the Units represented at any meeting at which a quorum has been attained; or

(c) 100% of the Board of Directors; or

(d) Not less than 50% of the entire membership of the Board of Directors in the case of amendments to the section hereof entitled "Insurance" or other sections that are reasonably required insurers or the Primary Institutional First Mortgagee.

6.2 By the Developer. The Developer, during the time it is in control of the Board of Directors of the Association, may amend the Declaration, the Articles of Incorporation or the By-Laws of the Association to correct an omission or error, or effect any other amendment, except that this procedure for amendment cannot be used

if such an amendment would, in the reasonable opinion of the Developer, materially adversely affect substantial property rights of Unit Owners, unless the affected Unit Owners consent in writing. Developer, in Section 10 hereof, has specifically reserved the right to change the size and/or number of Developer owned Units so long as the percentage interest in the Common Elements and share of the Common Surplus and Common Expenses of non-Developer owned Units do not change. Such a change will not materially adversely affect the property rights of Unit Owners, other than the Developer and, if necessary, the Developer may amend this Declaration and the exhibits thereto from time to time without the consent of any other Unit Owners to evidence the change in size and/or number of Developer owned Units. The execution and recording of any amendment by the Developer pursuant hereto shall be conclusive evidence that the amendment does not materially adversely affect substantial property rights of Unit Owners who did not join in or consent to such execution, and any such amendment shall be effective as provided below unless subsequently rescinded.

- 6.3 Execution and Recording. An amendment, other than amendments made by the Developer alone pursuant to the Act or this Declaration, shall be evidenced by a certificate of the Association which shall include recording date identifying the Declaration and shall be executed in the form required for the execution of a deed. Amendments by the Developer must be evidenced in writing, but a certificate of the Association is not required. An amendment of the Declaration is effective when properly recorded in the Public Records of the County.
- 6.4 Proviso. Unless otherwise provided specifically to the contrary in this Declaration, no amendment shall change the configuration or size of any Unit in any material fashion, materially alter or modify the appurtenances to any Unit, or change the percentage by which the Owner of a Unit shares the Common Expenses and owns the Common Elements and Common Surplus, unless the record Owner(s) thereof and all record owners of mortgages or other liens thereon shall join in the execution of the amendment. No amendment may be adopted which would eliminate, modify, prejudice, abridge or otherwise adversely affect any rights, benefits, privileges or priorities granted or reserved to the Developer or mortgagees of Units without the consent of said Developer and mortgagees in each instance; or shall an amendment make any change in the sections hereof entitled "Insurance", "Reconstruction or Repair After Casualty" or "Condemnation" unless all Institutional First Mortgagees whose mortgages are of record shall join in the amendment.
7. Maintenance and Repairs.
  - 7.1 Units. All maintenance, repairs and replacements of, in or to any Unit and Limited Common Elements appurtenant thereto, whether structural or nonstructural, ordinary or extraordinary, including, without limitation, maintenance, repair and replacement of screens, windows, the interior side of the entrance door and all other doors within or affording access to a Unit, and the electrical, plumbing, heating and air-conditioning equipment, fixtures and outlets, if any, within the Unit or the Limited Common Elements or belonging to the Unit Owner, shall be performed by the Owner of such Unit at the Unit Owner's sole cost and expense, except as otherwise expressly provided to the contrary herein, and shall be made in accordance with the original plans and specifications therefor or as otherwise directed by the Association.
  - 7.2 Common Elements. Except to the extent (i) expressly provided to the contrary herein, or (ii) proceeds of insurance are made available therefor, all maintenance, repairs and replacements in or to the Common Elements (other than Limited Common Elements as provided above) shall be performed by the Association and the cost and expense thereof shall be charged to all Unit Owners as a Common Expense, except to the extent arising from or necessitated by the negligence, misuse or neglect of specific Unit Owners, in which

case such cost and expense shall be paid solely by such Unit Owners.

7.3 Specific Unit Owner Responsibility. The obligation to maintain and repair the following specific items shall be responsibility of the Unit Owners, individually, and not the Association, without regard to whether such items are included within the boundaries of the Units, are Limited Common Elements or are Common Elements other than Limited Common Elements:

(a) Where a Limited Common Element consists of a terrace, balcony or patio, the Unit Owner who has the right to the exclusive use of said terrace, balcony or patio shall be responsible for the maintenance, care and preservation of the paint and surface of the interior parapet walls, including floor and ceiling, within said area, if any, and the fixed and/or sliding glass door(s) in or other portions of the entrance way(s) of said area, if any, and the wiring, electrical outlet(s) and fixture(s) thereon, if any, and the replacement of light bulbs, if any.

(b) Storage space and/or utility space, if applicable.

(c) Air conditioner condensing unit, if applicable.

7.4 Developer's Lien. In the event the Association fails to maintain, replace or repair as herein provided, upon thirty (30) days notice to the Association, the Developer or its designee shall have the right, without being obligated to do so, to enter upon the Condominium Property, including, without limitation, interest, court costs and reasonable attorneys' fees and appellate attorneys' fees incurred by the Developer in collecting the sums expended by it. The aforesaid lien may be foreclosed in the same manner as mortgages or statutory liens are foreclosed in Florida. In the event of an emergency situation, threatening the health and welfare of the residents, the Developer may immediately enter upon the Condominium Property and cause such maintenance replacements or repairs to be made forthwith and without the requirement of any prior notice thereof, and the Developer shall have an enforceable lien upon the Condominium Property as aforesaid.

7.5 Association's Lien. In the event any Unit Owner shall fail to maintain, replace and repair as herein provided, the Association, upon thirty (30) days written notice, shall have the right, without being obligated to do so, to enter upon the Unit and cause said maintenance, replacement or repair to be made, and in such event the Association shall have a lien upon the Condominium Parcel for the costs thereof including, without limitation, interest, court costs and reasonable attorneys' fees and appellate attorneys' fees incurred by the Association in collecting the sums expended by it. The aforesaid lien may be foreclosed in the same manner as mortgages or statutory liens are foreclosed in Florida.

8. Additions, Alterations or Improvements by the Association. Whenever, in the judgment of the Board of Directors, the Common Elements or any part thereof shall require capital additions, alterations or improvements (as distinguished from repairs and replacements) costing in excess of \$5,000.00 or less in a calendar year may be made by the Association without approval of the Unit Owners. The cost and expense of any such additions, alterations or improvements to such Common Elements shall constitute a part of the Common Expenses and shall be assessed to the Unit Owners as Common Expenses.

9. Additions, Alterations or Improvements by Unit Owners.

9.1 Consent of the Board of Directors. No Unit Owner shall make any addition, alteration or improvement in or to the Common Elements, his Unit or any Limited Common Elements without the prior written consent of the Board of Directors. The Board shall have the obligation to answer any written request by a Unit Owner for approval of such an addition, alteration or improvement in such Unit Owner's Unit or Limited Common Elements within thirty (30)

days after such request and all additional information requested is received, and the failure to do so within the stipulated time shall constitute the Board's consent. The proposed additions, alterations and improvements by the Unit Owners shall be made in compliance with all laws, rules, ordinances and regulations of all governmental authorities having jurisdiction and with any conditions imposed by the Association with respect to design, structural integrity, aesthetic appeal, construction details, lien protection or otherwise.

A Unit Owner making or causing to be made any such additions, alterations or improvements agrees, and shall be deemed to have agreed, for such Owner and his heirs, personal representatives, successors and assigns, as appropriate, to hold the Association, all other Unit Owners harmless from any liability or damage to the Condominium Property and expenses arising therefrom, and shall be solely responsible for the maintenance, repair and insurance from and after that date of installation or construction thereof as may be required by the Association. Unless expressly permitted in writing by the Association, the installation of any floor covering, other than padded carpeting or well-padded vinyl tile, is prohibited. In any event, Unit Owners shall have the duty of causing thereto to be placed underneath such covering, so as to be between any such covering and the floor of the Unit, generally accepted and approved material for diminution of noise and sound, so that the floors shall be adequately soundproof according to general architectural and engineering standards presently observed in the community.

9.2 Additions, Alterations or Improvements by Developer. The foregoing restrictions of this Section 9 shall not apply to Developer-owned Units. The Developer shall have the additional right, without the consent or approval of the Board of Directors or other Unit Owners, to (a) make alterations, additions or improvements, structural and nonstructural, interior and exterior, ordinary and extraordinary, in, to and upon any Unit owned by it (including, without limitation, the removal of walls, floors, ceilings and other structural portions of the Improvements).

10. Changes in Developer-Owned Units. Without limiting the generality of the provisions of Subsection 9.2 above, the Developer shall have the right, without the vote or consent of the Association or Unit Owners, to (i) make alterations, additions or improvements in, to and upon Units owned by the Developer, whether structural or nonstructural, interior or exterior, ordinary or extraordinary; (ii) change the layout or number of rooms in any Developer-owned Units; (iii) change the size and/or number of Developer-owned Units by subdividing one or more Developer-owned Units into two or more separate Units, combining separate Developer-owned Units (including those resulting from such subdivision or otherwise) into one or more Units or otherwise; and (iv) reapportion among the Developer-owned Units so affected by such change in size or number, their appurtenant interests in the Common Elements and share of the Common Surplus and Common Expenses; provided, however, that the percentage interest in the Common Elements and share of the Common Surplus and Common Expenses of any Units (other than Developer-owned Units) shall not be changed by reason thereof unless the Owners of such Units shall consent thereto, and provided further, that Developer shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction in so doing. In making the above alterations, additions and improvements, the Developer may relocate and alter Common Elements adjacent to such Units provided that such relocation and alteration does not materially adversely affect the market value or ordinary use of Units owned by Unit Owners other than the Developer. Any amendments to this Declaration required by actions taken pursuant to this Section 10 may be effected by the Developer alone. Without limiting the generality of Section 6.4 hereof, the provisions of this Section may not be added to, amended or deleted without the prior written consent of the Developer.

11. Operation of the Condominium by the Association; Powers and Duties. The Association shall be the entity responsible for the operation of the Condominium. The powers and duties of the Association shall include those set

forth in the Articles of Incorporation and By-Laws of the Association (respectively, Exhibits "4" and "5" annexed hereto), as amended from time to time. In addition, the Association shall have all the powers and duties set forth in the Act, as well as all powers and duties granted to or imposed upon it by this Declaration, including, without limitation:

- (a) The irrevocable right to have access to each Unit from time to time during reasonable hours as may be necessary for the maintenance, repair or replacement of any Common Elements therein, or at any time and by force, if necessary, for making emergency repairs therein necessary to prevent damage to the Common Elements or to any other Unit or Units, or to determine compliance with the terms and provisions of this Declaration, the exhibits annexed hereto, and the rules and regulations adopted pursuant to such documents, as the same may be amended from time to time.
- (b) The power to make and collect Assessments and other charges and surcharges against Unit Owners and to lease, maintain, repair and replace the Common Elements.
- (c) The duty to maintain accounting records according to good accounting practices, which shall be open to inspection by Unit Owners or their authorized representatives at reasonable times.
- (d) To contract for the management and maintenance of the Condominium Property and to authorize a management agent (which may be an affiliate of the Developer) to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of Assessments, preparation of records, enforcement of rules and maintenance, repairs and replacement of the Common Elements with funds as shall be made available by the Association for such purposes. The Association and its officers shall, however, retain at all times the powers and duties granted by the Condominium documents and the Condominium Act, including but not limited to the making of Assessments, promulgation of rules and execution of contracts on behalf of the Association.
- (e) The power to borrow money, execute promissory notes and other evidences of indebtedness and to give as security therefor mortgages and security interests in property owned by the Association, provided that such actions are approved by a majority of the entire membership of the Board of Directors and of the Units represented at a meeting at which a quorum has been attained, or by such greater percentage of the Board or Unit Owners as may be specified in the By-Laws with respect to certain borrowing.
- (f) Subsequent to the recording of this Declaration, the Association, when authorized by a majority of the Units represented at a meeting at which a quorum has been attained, shall have the power to acquire and enter into agreements for the acquisition of fee interests, leaseholds, memberships and other possessory or use interests in lands or facilities, including, but not limited to, country clubs, golf courses, marinas and other recreational facilities, whether or not contiguous to the lands of the Condominium intended to provide for the use or benefit of the Unit Owners (whether or not on an exclusive basis). The expenses of ownership (including the expense of making and carrying any mortgage related to such ownership), rental, membership fees, operation, replacements and other expenses and undertakings in connection therewith shall be Common Expenses. No actions authorized hereunder, however, may be taken without prior consent of Developer as long as the Developer owns any Units.
- (g) The power to adopt and amend rules and regulations covering the details of the operation and use of the Condominium Property.
- (h) All of the powers which a corporation not for profit in the State of Florida may exercise.

In the event of conflict between the powers and duties of the Association or otherwise, the Declaration shall take precedence over the Articles of

Incorporation, By-Laws and applicable rules and regulations; the Articles of Incorporation shall take precedence over the By-Laws and applicable rules and regulations; and the By-Laws shall take precedence over applicable rules and regulations, all as amended from time to time.

11.1 Limitation Upon Liability of Association. Notwithstanding the duty of the Association to maintain and repair parts of the Condominium Property, the Association shall not be liable to Unit Owners for injury or damage, other than for the cost of maintenance and repair caused by the latent condition of the Condominium Property.

11.2 Restraint Upon Assignment of Shares in Assets. The share of a Unit Owner in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to his Unit.

11.3 Approval or Disapproval of Matters. Whenever the decision of a Unit Owner is required upon any matter, whether or not the subject of an Association meeting, that decision shall be expressed by the same person who would cast the vote for the Unit if at an Association meeting, unless the joinder of record Owners is specifically required by the Declaration or by law.

11.4 Acts of the Association. Unless the approval or action of Unit Owners and/or a certain specific percentage of the Board of Directors of the Association is specifically required in this Declaration, the Articles of Incorporation or By-Laws of the Association, applicable rules and regulations or applicable law, all approvals or actions required or permitted to be given or taken by the Association shall be given or taken by the Board of Directors, without the consent of Unit Owners, and the Board may so approve and act through the proper officers of the Association without a specific resolution. When an approval or action of the Association is permitted to be given or taken hereunder or thereunder, such action or approval may be conditioned in any manner the Association deems appropriate or the Association may refuse to take or give such action or approval without the necessity of establishing the reasonableness of such conditions or refusal.

12. Determination of the Common Expenses and Fixing of Assessments Therefor. The Board of Directors shall from time to time, and at least annually, prepare a budget for the Condominium, determine the amount of Assessments payable by the Unit Owners to meet the Common Expenses of the Condominium, and allocate and assess such expenses among the Unit Owners in accordance with the provisions of this Declaration and the By-Laws. The Board of Directors shall advise all Unit Owners promptly in writing of the amount of the Assessment payable by each of them as determined by the Board of Directors as aforesaid and shall furnish copies of each budget, on which such Assessments are based, to all Unit Owners and (if requested in writing) to their respective mortgagees. The Common Expense shall include the expenses of the operation, maintenance, repair and replacement of the Common Elements, costs of carrying out the powers and duties of the Association and any other expenses designated as Common Expenses by the Act, this Declaration, the Articles of Incorporation or By-Laws of the Association, applicable rules and regulations, or by the Association. Except as provided by law, any reserve funds may be used as the Board shall determine from time to time and need not be restricted to replacements or otherwise. Any budget adopted shall be subject to change to cover actual expenses at any time. Any such change shall be adopted consistent with the provisions of the By-Laws. Additionally any charges for cable television services and auxiliary services, if provided to all of the members of the Association, shall be deemed to be a Common Expense. The Board of Directors in determining the amount of the Assessments payable by the Unit Owners shall be authorized to include such charges in the estimated operating budget for the Condominium. Accordingly, the provisions contained in Section 13 of this Declaration with respect to the collection of Assessments shall be applicable to the charges for cable television services auxiliary services.

### 13. Collection of Assessments.

- 13.1 Liability for Assessments. A Unit Owner, regardless of how title is acquired, including a purchaser at a judicial sale, shall be liable for all Assessments coming due while he is the Unit Owner. In a voluntary conveyance, the grantee shall be jointly and severally liable with the grantor for all unpaid Assessments against the grantor up to the time of the conveyance, without prejudice to any right of the grantee may have to recover from the grantor the amounts paid by the grantee. The liability for Assessments may not be avoided by waiver of the use of enjoyment of any Common Elements or by the abandonment of the Unit for which the Assessments are made or otherwise.
- 13.2 Default in Payment of Assessments for Common Expenses. Assessments and installments thereof not paid within ten (10) days from the date when they are due shall bear interest at the highest lawful rate from the due date until paid. The Association has a lien on each Condominium Parcel for any unpaid Assessments on such Parcel, with interest and for reasonable attorneys' fees and costs incurred by the Association incident to the collection of the Assessments or enforcement of the lien. The lien is effective from and after recording a claim of lien in the Public Records of the County, stating the description of the Condominium Parcel, the name of the record owner, the amount due and the due dates. The lien is in effect until all sums secured by it have been fully paid or until barred by law. The claim of lien includes only Assessments which are due when the claim is recorded. A claim of lien shall be signed and acknowledged by an officer or agent of the Association. Upon payment the person making the payment is entitled to a satisfaction of the lien. The Association may bring an action in its name to foreclose a lien for unpaid Assessments in the manner a mortgage of real property is foreclosed and may also bring an action at law to recover a money judgment for the unpaid Assessments without waiving any claim of lien.
- 13.3 Notice of Intention to Foreclose Lien. No foreclosure judgment may be entered until at least thirty (30) days after the Association gives written notice to the Unit Owner of its intention to foreclose its lien to collect the unpaid Assessments. If this notice is not given at least thirty (30) days before the foreclosure action is filed, and if the unpaid Assessments, including those coming due after the claim of lien is recorded, and other sums permitted hereunder are paid before the entry of a final judgment of foreclosure, the Association shall not recover attorney's fees or costs. The notice must be given by delivery of a copy of it to the Unit Owner or by Certified Mail, Return Receipt Requested, addressed to the Unit Owner. If, after diligent search and inquiry, the Association cannot find the Unit Owner or a mailing address at which the Unit Owner will receive the notice, the court may proceed with the foreclosure action and may award attorney's fees and costs as permitted by law. The notice requirements of this subsection are satisfied if the Unit Owner records a Notice of Contest of Lien as provided in the Act.
- 13.4 Appointment of Receiver to Collect Rental. If the Unit Owner remains in possession of the Unit and the claim of lien is foreclosed, the court in its discretion may require the Unit Owner to pay a reasonable rental for the Unit and the Association is entitled to the appointment of a receiver to collect the rent.
- 13.5 Institutional First Mortgagee. In the event an Institutional First Mortgagee shall obtain title to the Unit as a result of foreclosure of its mortgage, or as a result of a deed given in lieu of foreclosure, such Institutional First Mortgagee, its successors and assigns, shall not be liable for the share of Common Expenses or Assessments or other charges imposed by the Association pertaining to such Condominium Parcel or chargeable to the former Unit Owner of such Condominium Parcel which became due prior to acquisition of title as a result of the foreclosure or the acceptance of such deed in lieu thereof, unless such share is secured by a claim of lien

that is recorded prior to the recording of the foreclosed mortgage. Such unpaid share of Common Expenses or Assessments or other charges shall be deemed to be Common Expenses, collectible from all of the Unit Owners, including such acquirer, and such acquirer's successors and assigns.

- 13.6 Developer's Liability for Assessments. The Developer shall be excused from the payment of the share of the Common Expenses and Assessments relating to Units it is offering for sale, for a period beginning with the recording of this Declaration and ending the first day of the fourth calendar month following the month in which the closing of the purchase and sale of the first Unit occurs. However, the Developer must pay the portion of Common Expenses incurred during that period which exceeds the amount assessed against other Unit Owners.

During the period from the first day of the fourth calendar month following the month in which the closing of the purchase and sale of the first Unit occurs, until the earlier of the date control of the Association is turned over to Unit Owners other than the Developer, or the last day of the calendar year in which the closing of the purchase and sale of the first Unit occurs (the "Guarantee Expiration Date"), the Developer shall not be obligated to pay the share of the Common Expenses and Assessments attributable to Units it is offering for sale, provided that the regular monthly Assessments for Common Expenses imposed on each Unit Owner other than the Developer shall not increase during such period over the amount set opposite such Unit's designation (model type) in the Estimated Operating Budget contained in the Offering Circular (Prospectus) delivered to such Unit Owner when such Owner contracted to purchase the Unit, if applicable; and provided further that the Developer shall be obligated to pay any amount of Common Expenses actually incurred during such period and not produced by the Assessments at the guaranteed level receivable from Unit Owners.

- 13.7 Possession of Unit. Any person who acquires an interest in a Unit, except Institutional First Mortgagees through foreclosure or a first mortgage of record (or deed in lieu thereof), including, without limitation, persons acquiring title by operation of law, shall not be entitled to occupancy of the Unit or enjoyment of the Common Elements until such time as all unpaid Assessments and other charges due and owing by the former Owner, if any, have been paid.

- 13.8 Certificate of Unpaid Assessments. Any Unit Owner has the right to require from the Association a certificate showing the amount of unpaid Assessments against him with respect to his Unit.

- 13.9 Installments. Regular assessments may be collected monthly or quarterly in advance, at the option of the Association, from time to time.

14. Insurance. Insurance covering portions of the Condominium Property shall be governed by the following provisions:

- 14.1 Purchase, Custody and Payment.

(a) Purchase. All insurance policies described herein covering portions of the Condominium Property shall be purchased by the Association and shall be issued by an insurance company authorized to do business in Florida.

(b) Approval. Each insurance policy, the agency and company issuing the policy and the Insurance Trustee (if appointed) herein-after described, shall be subject to the approval of the Primary Institutional First Mortgagee in the first instance.

(c) Named Insured. The named insured shall be the Association, individually, and as agent for Owners of Units covered by the policy, without naming them and as agent for their mortgagees,



without naming them. The Unit Owners and their mortgagees shall be additional insureds.

(d) Custody of Policies and Payment of Proceeds. All policies shall provide that payments for losses made by the insurer shall be paid to the Insurance Trustee (if appointed), and all policies and endorsements thereto shall be deposited with the Insurance Trustee (if appointed).

(e) Copies to Mortgagees. One copy of each insurance policy, or a certificate evidencing such policy, and all endorsements thereto, shall be furnished by the Association upon request to each Institutional First Mortgagee who holds a mortgage upon a Unit covered by the policy. Copies or certificates shall be furnished not less than ten (10) days prior to the beginning of the term of the policy or not less than ten (10) days prior to the expiration of each preceding policy that is being renewed or replaced, as appropriate.

(f) Personal Property and Liability. Unit Owners may obtain insurance coverage at their own expense and at their own discretion upon the property lying within the boundaries of their Unit, including, but not limited to, their personal property and for their personal liability and living expense and for any other risks.

14.2 Coverage. The Association shall maintain insurance covering the following:

(a) Casualty. The Building (including all fixtures, installations or additions comprising that part of the Building within the boundaries of the Units initially installed, or replacements thereof, of like kind or quality in accordance with the original plans and specifications therefor, but excluding all furniture, furnishings or other personal property owned, supplied or installed by Unit Owners or tenants of Unit Owners) and all Improvements located on the Common Elements from time to time, together with all service machinery contained therein (collectively, the "Insured Property"), shall be insured in an amount not less than 100% of the full insurance replacement value thereof, excluding foundation and excavation costs. Such policies may contain reasonable deductible provisions as determined by the Board of Directors of the Association. Such coverage shall afford protection against:

(i) Loss or Damage by Fire and Other Hazards covered by a standard extended coverage endorsement; and

(ii) Such other Risks as from time to time are customarily covered with respect to buildings and improvements similar to the Insured Property in construction, location and use, including, but not limited to, vandalism and malicious mischief.

(b) Liability. Comprehensive general public liability and automobile liability insurance covering loss or damage resulting from accidents or occurrences on or about or in connection with the Insured Property or adjoining driveways and walkways, or any work, matters or things related to the Insured Property, with such coverage as shall be required by the Board of Directors of the Association, but with combined single limit liability of not less than \$300,000 for each accident or occurrence, \$100,000 per person and \$50,000 property damage, and with a cross liability endorsement to cover liabilities of the Unit Owners as a group to any Unit Owner, and vice versa.

(c) Workmen's Compensation and other mandatory insurance, when applicable.

(d) Flood Insurance, if required by the Primary Institutional First Mortgagee or if the Association so elects.

(e) Fidelity Insurance covering all directors, officers and employees of the Association and managing agents who handle Association funds, if any.

(f) Such Other Insurance as the Board of Directors of the Association shall determine from time to time to be desirable.

When appropriate and obtainable, each of the foregoing policies shall waive the insurer's right to: (i) subrogation against the Association and against the Unit Owners individually and as a group, (ii) the clause that reserves to the insurer the right to pay only a fraction of any loss in the event of co-insurance or if other insurance carriers have issued coverage upon the same risk, and (iii) avoid liability for a loss that is caused by an act of the Board of Directors of the Association, or by a member of the Board of Directors of the Association or by one or more Unit Owners.

14.3 Additional Provisions. All policies of physical damage insurance shall provide that such policies may not be cancelled or substantially modified without at least ten (10) days' prior written notice to all of the named insureds, including all mortgagees or Units. Prior to obtaining any policy of casualty insurance or any renewal thereof, the Board of Directors shall obtain an appraisal from a fire insurance company or other competent appraiser, of the full insurance replacement value of the Insured Property (exclusive of foundations), without deduction for depreciation, for the purpose of determining the amount of insurance to be effected pursuant to this Section.

14.4 Premiums. Premiums upon insurance policies purchased by the Association shall be paid by the Association as a Common Expense, except that the amount of increase in the premium occasioned by misuse, occupancy or abandonment of any one or more Units or their appurtenances or of the Common Elements by particular Unit Owners shall be assessed against and paid by such Owners. Premiums may be financed in such manner the Board of Directors deems appropriate.

14.5 Insurance Trustee; Share of Proceeds. All insurance policies obtained by the Association shall be for the benefit of the Association, the Unit Owners and their mortgagees, as their respective interests may appear, and shall provide that all proceeds covering property losses shall be paid to the Insurance Trustee which may be designated by the Board of Directors and which, if so appointed, shall be a bank or trust company in Florida with trust powers, with its principal place of business in the County. The Insurance Trustee (if appointed) shall not be liable for payment of premiums, nor for the renewal or the sufficiency of policies, nor for the failure to collect any insurance proceeds. The duty of the Insurance Trustee (if appointed) shall be to receive such proceeds as are paid and to hold the same in trust for the purposes elsewhere stated herein, and for the benefit of the Unit Owners and their respective mortgagees in the following shares, but which shares need not be set forth on the records of the Insurance Trustee:

(a) Insured Property. Proceeds on account of damage to the Insured Property shall be held in undivided shares for each Unit Owner, such shares being the same as the undivided shares in the Common Elements appurtenant to each Unit, provided that if the Insured Property so damaged includes property lying within the boundaries of specific Units, that portion of the proceeds allocable to such property shall be held as if that portion of the Insured Property were Optional Property as described in subparagraph (b) below.

(b) Optional Property. Proceeds on account of damage solely to Units and/or certain portions or all of the contents thereof not included in the Insured Property (all as determined by the Association in its sole discretion) (collectively, the "Optional Property"), if any is collected by reason of optional insurance which the Association elects to carry thereon (as contemplated herein), shall be held for the benefit of Owners of Units or other portions of the Optional Property damaged in proportion to the cost of repairing the damage suffered by each such affected Owner, which cost and allocation shall be determined in the sole discretion of the Association.

(c) Mortgagees. No mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired, and no mortgagee shall have any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds, except for actual distributions thereof made to the Unit Owner and mortgagee pursuant to the provisions of this Declaration.

14.6 Distribution of Proceeds. Proceeds of insurance policies received by the Insurance Trustee (if appointed) shall be distributed to or for the benefit of the beneficial Owners thereof in the following manner:

(a) Expenses of the Trust. All expenses of the Insurance Trustee (if appointed) shall be first paid or provision shall be made therefor.

(b) Reconstruction or Repair. If the damaged property for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds shall be paid to defray the cost thereof as elsewhere provided herein. Any proceeds remaining after defraying such costs shall be distributed to the beneficial owners thereof, remittances to Unit Owners and their mortgagees being payable jointly to them.

(c) Failure to Reconstruct or Repair. If it is determined in the manner elsewhere provided that the damaged property for which the proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be allocated among the beneficial owners as provided in Section 14.5 above, and distributed first to all Institutional First Mortgagees in an amount sufficient to pay off their mortgages, and the balance, if any, to the beneficial owners.

(d) Certificate. In making distributions to Unit Owners and their mortgagees, the Insurance Trustee (if appointed) may rely upon a certificate of the Association made by its President and Secretary as to the names of the Unit Owners and their mortgagees and their respective shares of the distribution.

14.7 Association as Agent. The Association is hereby irrevocably appointed as agent and attorney-in-fact for each Unit Owner and for each owner of a mortgage or other lien upon a Unit and for each owner of any other interest in the Condominium Property to adjust all claims arising under insurance policies purchased by the Association and to execute and deliver releases upon the payment of claims.

14.8 Unit Owners Personal Coverage. Unless the Association elects otherwise, the insurance purchased by the Association shall not cover claims against an Owner due to accidents occurring within his Unit, nor casualty or theft loss to the contents of an Owner's Unit. It shall be the obligation of the individual Unit Owner, if such Owner so desires, to purchase and pay for insurance as to all such other risks not covered by insurance carried by the Association.

14.9 Benefit of Mortgagees. Certain provisions in this Section 14 entitled "Insurance" are for the benefit of mortgagees of Units and may be enforced by such mortgagees.

14.10 Insurance Trustee. The Board of Directors of the Association shall have the option in its discretion of appointing an Insurance Trustee hereunder. If the Association fails or elects not to appoint such Trustee, the Association will perform directly all obligations imposed upon such Trustee by this Declaration.

15. Reconstruction or Repair After Fire or Other Casualty.

15.1 Determination to Reconstruct or Repair. In the event of damage to or destruction of the Insured Property (and the Optional Property, if insurance has been obtained by the Association with respect

thereto) as a result of fire or other casualty unless 75% or more of the Insured Property (and the Optional Property, if insurance has been obtained by the Association with respect thereto) is destroyed or substantially damaged and Unit Owners owning 80% or more of the applicable interests in the Common Elements elect not to proceed with repairs or restoration and the Primary Institutional First Mortgagee approves such election, the Board of Directors shall arrange for the prompt repair and restoration of the Insured Property (and the Optional Property, if insurance has been obtained by the Association with respect thereto) and the Insurance Trustee (if appointed) shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. If 75% or more of the Insured Property (and the Optional Property, if insurance has been obtained by the Association with respect thereto) is substantially damaged or destroyed and if Unit Owners owning 80% of the applicable interests in the Common Elements duly and promptly resolve not to proceed with the repair or restoration thereof and the Primary Institutional First Mortgagee approves such resolution, the Condominium Property will not be repaired and shall be subject to an action for partition instituted by the Association, any Unit Owner, mortgagee or lienor, as if the Condominium Property were owned in common, in which event the net proceeds of insurance from such damage or destruction shall be divided among all the Unit Owners in proportion to their respective interests in the Common Elements with respect to proceeds held for damage to the Insured Property other than that portion of the Insured Property lying within the boundaries of the Unit, and among affected Unit Owners in proportion to the damage suffered by each such affected Unit Owner, as determined in the sole discretion of the Association (with respect to proceeds held for damage to the Optional Property, if any, and/or that portion of the Insured Property lying within the boundaries of the Unit); provided, however, that no payment shall be made to a Unit Owner until there has first been paid off out of his share of such fund all mortgages and liens on his Unit in the order or priority of such mortgages and liens. Whenever in this Section the words "promptly repair" are used, it shall mean that repairs are to begin not more than sixty (60) days from the date the Insurance Trustee (if appointed) notifies the Board of Directors and Unit Owners that it holds proceeds of insurance on account of such damage or destruction sufficient to pay the estimated cost of such work, or not more than ninety (90) days after the Insurance Trustee (if appointed) notifies the Board of Directors and the Unit Owners that such proceeds of insurance are insufficient to pay the estimated costs of such work. The Insurance Trustee (if appointed) may rely upon a certificate of the Association made by its President and Secretary to determine whether or not the damaged property is to be reconstructed or repaired.

15.2 Plans and Specification. Any reconstruction or repair must be made substantially in accordance with the plans and specifications for the original Improvements; or if not, then in accordance with the plans and specifications approved by the Board of Directors of the Association, and if the damaged property which is to be altered is the Building or the Optional Property, by the Owners of not less than 80% of the applicable interests in the Common Elements, as well as the Owners of all Units and other portions of the Optional Property (and their respective mortgagees) the plans for which are to be altered.

15.3 Special Responsibility. If the damage is only to those parts of the optional Property for which the responsibility of maintenance and repair is that of the respective Unit Owners, then the Unit Owners shall be responsible for all necessary reconstruction and repair (unless insurance proceeds are held by the Association with respect thereto by reason of the purchase of optional insurance thereon, in which case the Association shall have the responsibility to reconstruct and repair the damaged Optional Property, provided the respective Unit Owners shall be individually responsible for any amount by which the cost of such repair or reconstruction exceeds the insurance proceeds held for such repair or reconstruction on a Unit by Unit basis, as determined in the sole

discretion of the Association). In all other instances, the responsibility for all necessary reconstruction and repair shall be that of the Association.

15.4 Estimate of Costs. Immediately after a determination is made to rebuild or repair damage to property for which the Association has the responsibility of reconstruction and repair, the Association shall obtain reliable and detailed estimates of the cost to rebuild or repair.

15.5 Assessments. If the proceeds of the insurance are not sufficient to defray the estimated costs of reconstruction and repair to be effected by the Association, or if at any time during reconstruction and repair or upon completion of reconstruction and repair the funds for the payment of the costs of reconstruction and repair are insufficient, Assessments shall be made against the Unit Owners in sufficient amounts to provide funds for the payment of such costs. Such Assessments on account of damage to the Insured Property shall be in proportion to all of the Owner's respective shares in the Common Elements, and on account of damage to the Optional Property, in proportion to the cost of repairing the damage suffered by each Owner thereof, as determined by the Association.

15.6 Construction Funds. The funds for payment of the costs of reconstruction and repair, which shall consist of proceeds of insurance held by the Insurance Trustee (if appointed) and funds collected by the Association from Assessments against Unit Owners, shall be disbursed in payment of such costs in the following manner:

(a) Association. If the total Assessments made by the Association in order to provide funds for payment of the costs of reconstruction and repair which are the responsibility of the Association are more than \$10,000.00 then the sums paid upon such Assessments shall be deposited by the Association with the Insurance Trustee (if appointed). In all other cases, the Association shall hold the sums paid upon such Assessments and disburse the same in payment of the costs of reconstruction and repair.

(b) Disbursement. The proceeds of insurance collected on account of a casualty, and the sums collected from Unit Owners on account of such casualty, shall constitute a construction fund which shall be disbursed in payment of the costs of reconstruction and repair in the following manner and order:

(i) Association - Lesser Damage. If the amount of the estimated costs of reconstruction and repair which are the responsibility of the Association is less than \$50,000, then the construction fund shall be disbursed in payment of such costs upon the order of the Board of Directors of the Association; provided, however, that upon request to the Insurance Trustee (if appointed) by an Institutional First Mortgagee which is a beneficiary of an insurance policy, the proceeds of which are included in the construction fund, such fund shall be disbursed in the manner provided below for the reconstruction and repair of major damage.

(ii) Association - Major Damage. If the amount of the estimated costs of reconstruction and repair which are the responsibility of the Association is more than \$50,000, then the construction fund shall be disbursed in payment of such costs in the manner contemplated by subparagraph (i) above, but then only upon the further approval of an architect qualified to practice in Florida and employed by the Association to do the work.

(iii) Unit Owners. If there is a balance of insurance proceeds after payment of all costs of reconstruction and repair that are the responsibility of the Association, this balance may be used by the Association to effect repairs to the Optional Property (if not insured or if under-insured), or may be distributed to Owners of the Optional Property who have

the responsibility for reconstruction and repair thereof. The distribution shall be in the proportion that the estimated cost of reconstruction and repair of such damage to each affected Unit Owner bears to the total of such estimated costs to all affected Unit Owners, as determined by the Board; provided, however, that no Unit Owner shall be paid an amount in excess of the estimated costs of repair for his portion of the Optional Property. All proceeds must be used to effect repairs to the Optional Property, and if insufficient to complete such repairs, the Owners shall pay the deficit with respect to their portion of the Optional Property and promptly effect the repairs. Any balance remaining after such repairs have been effected shall be distributed to the affected Unit Owners and their mortgagees jointly as elsewhere herein contemplated.

(iv) Surplus. It shall be presumed that the first monies disbursed in payment of costs of reconstruction and repair shall be from insurance proceeds. If there is a balance in a construction fund after payment of all costs relating to the reconstruction and repair for which the fund is established, such balance shall be distributed to the beneficial owners of the fund in the manner elsewhere stated; except, however, that party of a distribution to an Owner which is not in excess of Assessments paid by such Owner into the construction fund shall not be made payable to any mortgagee.

(v) Certificate. Notwithstanding the provisions herein, the Insurance Trustee (if appointed) shall not be required to determine whether or not sums paid by Unit Owners upon Assessments shall be deposited by the Association with the Insurance Trustee (if appointed), nor to determine whether the disbursements from the construction fund are to be made upon the order of the Association alone or upon the additional approval of an architect or otherwise, nor whether a disbursement is to be made from the construction fund, nor to determine whether surplus funds to be distributed are less than the Assessments paid by Owners, not to determine the payees nor the amounts to be paid. The Insurance Trustee (if appointed) may rely upon a certificate of the Association, made by its President and Secretary, as to any or all of such matters and stating that the sums to be paid are due and properly payable, and stating the names of the payees and the amounts to be paid.

15.7 Benefit of Mortgagees. Certain provisions in this Section 15 are for the benefit of mortgagees of Units and may be enforced by any of them.

## 16. Condemnation.

16.1 Deposit of Awards with Insurance Trustee. The taking of portions of the Condominium Property by the exercise of the power of eminent domain shall be deemed to be a casualty, and the awards for that taking shall be deemed to be proceeds from insurance on account of the casualty and shall be deposited with the Insurance Trustee (if appointed). Even though the awards may be payable to Unit Owners, the Unit Owners shall deposit the awards with the Insurance Trustee (if appointed); and in the event of failure to do so, in the discretion of the Board of Directors of the Association, a Special Assessment shall be made against a defaulting Unit Owner in the amount of his award, or the amount of that award shall be set off against the sums hereafter made payable to that Owner.

16.2 Determination Whether to Continue Condominium. Whether the Condominium will be continued after condemnation will be determined in the manner provided for determination whether damaged property will be reconstructed and repaired after casualty. For this purpose, the taking by eminent domain shall also be deemed to be a casualty.

16.3 Disbursement of Funds. If the Condominium is terminated after condemnation, the proceeds of the awards and special Assessments

will be deemed to be insurance proceeds and shall be owned and distributed in the manner provided with respect to the ownership and distribution of the insurance proceeds if the Condominium is terminated after a casualty. If the Condominium is not terminated after condemnation, the size of the Condominium will be reduced and the property damaged by the taking will be made usable in the manner provided below. The proceeds of the awards and special Assessments shall be used for these purposes and shall be disbursed in the manner provided for disbursement of funds by the Insurance Trustee (if appointed) after a casualty, or as elsewhere in this Section 16 specifically provided.

16.4 Unit Reduced but Habitable. If the taking reduces the size of a Unit and the remaining portion of the Unit can be made habitable (in the sole opinion of the Association), the award for the taking of a portion of the Unit shall be used for the following purposes in the order stated and the following changes shall be made to the Condominium:

(a) Restoration of Unit. The Unit shall be made habitable. If the cost of the restoration exceeds the amount of the award, the additional funds required shall be assessed against the Owner of the Unit.

(b) Distribution of Surplus. The balance of the award in respect of the Unit, if any, shall be distributed to the Owner of the Unit and to each mortgagee of the Unit, the remittance being made payable jointly to the Owner and such mortgagees.

(c) Adjustment of Shares in Common Elements. If the floor area of the Unit is reduced by the taking, the percentage representing the share in the Common Elements and of the Common Expenses and Common Surplus appurtenant to the Unit shall be reduced by multiplying the percentage of the applicable Unit prior to reduction by a fraction, the numerator of which shall be the area in square feet of the Unit after the taking and the denominator of which shall be the area in square feet of the Unit before the taking. The shares of all Unit Owners in the Common Elements, Common Expenses and Common Surplus shall then be restated as follows:

(i) Add the total of all percentages of all Units of continuing Owners prior to this adjustment, but after any adjustments made necessary by subsection 16.4(c) hereof (the "Percentage Balance"); and

(ii) Divide the percentage of each Unit of a continuing Owner prior to this adjustment, but after any adjustments made necessary by subsection 16.4(c) hereof, by the Percentage Balance.

The result of such division for each Unit shall be the adjusted percentage for such Unit.

(d) Assessments. If the balance of the award (after payments to the Unit Owner and such Owner's mortgagees as above provided) for the taking is not sufficient to alter the remaining portion of the Unit for use as a part of the Common Elements, the additional funds required for such purposes shall be raised by Assessments against all of the Unit Owners who will continue as Owners of Units after the changes in the Condominium affected by the taking. The Assessments shall be made in proportion to the applicable percentage shares of those Owners after all adjustments to such shares affected pursuant hereto by reason of the taking.

(e) Arbitration. If the market value of a Unit prior to the taking cannot be determined by agreement between the Unit Owner and mortgagees of the Unit and the Association within thirty (30) days after notice of a dispute by any affected party, such value shall be determined by arbitration in accordance with the then existing rules of the American Arbitration Association, except that the arbitrators shall be two appraisers appointed by the American Arbitration Association who shall base their determination upon an average of their appraisals of the Unit. A judgment upon the

decision rendered by the arbitrators may be entered in any court of competent jurisdiction in accordance with the Florida Arbitration Code. The cost of arbitration proceedings shall be assessed against all Unit Owners, including Owners who will not continue after the taking, in proportion to the applicable percentage shares of such Owners as they exist prior to the adjustments to such shares affected pursuant hereto by reason of the taking.

16.6 Taking of Common Elements. Awards for the taking of Common Elements shall be used to render the remaining portion of the Common Elements usable in the manner approved by the Board of Directors of the Association; provided that if the cost of such work shall exceed the balance of the funds from the awards for the taking, the work shall be approved in the manner elsewhere required for capital improvements to the Common Elements. The balance of the awards for the taking of Common Elements, if any, shall be distributed to the Unit Owners in the shares in which they own the Common Elements after adjustments to these shares effected pursuant hereto by reason of the taking. If there is a mortgage on a Unit, the distribution shall be paid jointly to the Owner and the Mortgagees of the Unit.

16.7 Discretion of Board. In circumstances not covered by this Declaration or by law, a 2/3 majority of the Board may, upon an opinion of counsel that its decision is reasonable, deal with the condemnation in such reasonable manner as it determines to be appropriate under the circumstances.

16.8 Amendment of Declaration. The changes in Units, in the Common Elements and in the ownership of the Common Elements and share in the Common Expenses and Common Surplus that are affected by the taking shall be evidenced by an amendment to this Declaration of Condominium that is only required to be approved by and executed upon the direction of a majority of all Directors of the Association.

17. Occupancy and Use Restrictions. In order to provide for congenial occupancy of the Condominium Property and for the protection of the values of the Units, the use of the Condominium Property shall be restricted to and shall be in accordance with the following provisions:

17.1 Occupancy. Each Unit shall be used as a residence only, except as otherwise herein expressly provided. A Unit owned by an individual, corporation, partnership, trust or other fiduciary may only be occupied by the following persons, and such persons' families and guests: (i) the individual Unit Owner, (ii) an officer, director, stockholder or employee of such corporation, (iii) a partner or employee of such partnership, (iv) the fiduciary or beneficiary of such fiduciary, or (v) permitted occupants under an approved lease or sublease of that Unit (as described below), as the case may be.

Occupants of an approved leased or subleased Unit must be the following persons, and such persons' families and guests: (i) an individual lessee or sublessee, (ii) an officer, director, stockholder or employee of a corporate lessee or sublessee, (iii) a partner or employee of a partnership, lessee or sublessee, or (iv) a fiduciary or beneficiary of a fiduciary lessee or sublessee.

Under no circumstances may more than one family reside in a Unit at one time. "Families" or words of similar import used herein shall be deemed to include spouses, parents, parents-in-law, brothers, sisters, children and grandchildren. In no event shall occupancy (except for temporary occupancy by visiting guests) exceed two (2) persons per bedroom. The Board of Directors shall have the power to authorize occupancy of a Unit by persons in addition to those set forth above. The provisions of this subdivision 17.1 shall not be applicable to Units used by the Developer for model apartments, sales offices, other offices or management services.



- 17.2 Children will be the direct responsibility of their parents or legal guardians, including full supervision of them while within the Condominium Property and including full compliance by them of these restrictions and all rules and regulations of the Association. All children under fourteen (14) years of age must be accompanied by a responsible adult when entering and/or utilizing the recreational facilities and comply with the rules and regulations of the Property Owners Association with respect to same.
- 17.3 No pets shall be allowed in any Unit or the Common Elements except, each Unit shall be allowed to house one (1) dog or one (1) cat, so long as said dog or cat weighs forty (40) pounds or less when full grown. Each Unit may also house domestic birds or fish. Pets shall be kept within a Unit and not be permitted on any portion of the Condominium Property except when adequately secured and restrained by a leash, where applicable, and all such pets shall be walked in such areas designated by the Association so as to control the deposit of animal waste on the Condominium Property. No guests or invitees of an Owner shall be permitted to bring animals of any kind on the Condominium Property. No animals shall be allowed to commit a nuisance in any public portion of the Condominium Property. The term "pet" shall be limited to a dog, cat, fish or small domestic birds. Dogs may not be kept in Limited Common Elements the Owner is not in the Unit. Each Unit Owner owning a pet shall assume full responsibility for personal injuries or property damage caused by his pet, and each Unit Owner hereby agrees to indemnify the Association and all other Unit Owners and hold them harmless against any loss, claim or liability of any kind whatsoever arising from or growing out of any harm, injury or damage caused by such Unit Owner's pet. Without limiting the generality of Section 18 hereof, violation of the provisions of this paragraph shall entitle the Association to all of its rights and remedies, including, but not limited to, the right to fine Unit Owners (as provided in any applicable rules and regulations) and/or to require any pet to be permanently removed from the Condominium Property upon three (3) days' notice.
- 17.4 Alterations. Without limiting the generality of Section 9.1 hereof, no Unit Owner shall cause or allow improvements or changes to any Unit, Limited Common Elements appurtenant thereto or Common Elements, including, but not limited to, painting or other decorating of any nature, installing any electrical wiring, television antenna, machinery or air-conditioning units or in any manner changing the appearance of any portion of the Building without obtaining the prior written consent of the Association (in the manner specified in Section 9.1 hereof).
- 17.5 Use of Common Elements. The Common Elements shall be used only for furnishing of the services and facilities for which they are reasonably suited and which are incident to the use and occupancy of Units.
- 17.6 Nuisances. No nuisances (as defined by the Association) shall be allowed on the Condominium Property, nor shall any use or practice be allowed which is a source of annoyance to resident or occupants of Units or which interferes with the peaceful possession or proper use of the Condominium Property by its residents or occupants.
- 17.7 No Improper Uses. No improper, offensive, hazardous or unlawful use shall be made of the Condominium Property or any part thereof, and all valid laws, zoning ordinance and regulations of all governmental bodies having jurisdiction thereover shall be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereover relating to any portion of the Condominium Property, shall be corrected by and at the sole expense of the party obligated to maintain or repair such portion of the Condominium Property, as elsewhere herein set forth. No waterbeds are to be brought into the Units for any reason whatsoever.
- 17.8 Leases. No portion of a Unit (other than an entire Unit) may be rented. All leases shall be on forms approved by the Association

and shall provide that the Association shall have the right to terminate the lease upon default by the tenant in observing any of the provisions of this Declaration, the Articles of Incorporation and By-Laws of the Association, applicable rules and regulations or other applicable provisions of any agreement, document or instrument governing the Condominium or administered by the Association. Leasing of Units shall also be subject to the prior written approval of the Association and the Association may reject the leasing of any Unit on any grounds the Association elects. No lease shall be for a term of less than six (6) months. Unit Owners wishing to lease their Units shall be required to place in escrow with the Association a sum to be determined by the Association which may be used by the Association to repair any damage to the Common Elements resulting from acts or omissions of tenants (as determined in the sole discretion of the Association). The Unit Owner will be jointly and severally liable with the tenant to the Association for any amount in excess of such sum which is required by the Association to effect such repairs or to pay any claim for injury or damage to property caused by the negligence of the tenant. Any balance remaining in the escrow account, less an administrative charge determined by the Association, shall be returned to the Unit Owner within ninety (90) days after the tenant and all subsequent tenants permanently move out.

17.9 Exterior Improvements; Landscaping. Without limiting the generality of Section 9.1 or 17.4 hereof, no Unit Owner shall cause anything to be affixed or attached to, hung, displayed or placed on the exterior walls, doors, balconies, or windows of the Building (including, but not limited to, awnings, signs, storm shutters, screens, furniture, fixtures and equipment), nor to plant or grow any type of shrubbery, flower, tree, vine, grass or other plant life outside his Unit, without the prior written consent of the Association.

17.10 Effect on Developer; Association. The restrictions and limitations set forth in this Section 17 shall not apply to the Developer or to Units owned by the Developer. The Association shall have the power (but not the obligation) to grant relief in particular circumstances from the provisions of specific restrictions contained in this Section 17 for good cause shown.

18. Selling, Leasing and Mortgaging of Units. No Unit Owner other than the Developer may sell or lease his Unit except by complying with the following provisions:

18.1 Right of First Refusal. Any Unit Owner who receives a bona fide offer to purchase or lease his Unit (such offer to purchase or lease a Unit, as the case may be, is called an "Outside Offer"; the party making any such Outside Offer is called an "Outside Offeror"; and the Unit Owner to whom the Outside Offer is made is called an "Offeree Unit Owner"), which he intends to accept shall give notice by registered mail to the Board of Directors of the receipt of such Outside Offer. Said Notice shall also state the name and address of the Outside Offeror, the term of the proposed transaction and such other information as the Board of Directors may reasonably require. The giving of such notice to the Board of Directors shall constitute and offer by such Unit Owner to sell his Unit or to lease his Unit to the Association or its designee upon the same terms and conditions as contained in such Outside Offer and shall also constitute a Warranty and representation by the Unit Owner who has received such Outside Offer to the Association that such Unit Owner believes the Outside Offer to be bona fide in all respects. The Offeree Unit Owner shall submit in writing such further information with respect thereto as the Board of Directors may reasonably request. Not later than twenty (20) days after receipt of such notice, together with such further information as may have been requested, the Association or its designee may elect, by sending written notice to such Offeree Unit Owner before the expiration of said twenty (20) day period, by certified mail, to purchase such Unit or to lease such Unit as the case may be, upon the same terms and conditions as contained in the Outside Offer and as stated in the notice from the Offeree Unit Owner. In the event

the Association shall timely elect to purchase such Unit or to lease such Unit, or to cause the same to be purchased or leased by its designee, title shall close or a lease shall be executed at the office of the attorneys for the Association, in accordance with the terms of the Outside Offer, within forty-five (45) days after the giving of notice by the Association of its election to accept such offer. If, pursuant to such Outside Offer, the Offeree Unit Owner was to assume or take title to the Unit subject to the Offeree Unit Owner's existing mortgage or mortgages, the Association may purchase the Unit and assume or take title to the Unit subject to said existing mortgage or mortgages, as the case may be. At the closing, the Offeree Unit Owner, if such Unit is to be sold, shall convey the same to the Association, or to its designee, by statutory warranty deed, with all tax and/or documentary stamps affixed at the expense of such Unit Owner, who shall also pay all other taxes arising out of such sale. Title shall be good and marketable and insurable and the Offeree Unit Owner shall deliver an abstract or provide a title binder (and subsequently, title insurance) at its expense at least thirty (30) days prior to such closing. Real estate taxes, mortgage interest, if any, and Common Expenses shall be apportioned between the Offeree Unit and the Association, or its designee, as of the closing date. In the event such Unit is to be leased, the Offeree Unit Owner shall execute and deliver to the Board of Directors or to its designee, a lease between the Offeree Unit Owner, as landlord, and the Association, or its designee, as tenant, covering such Unit, for the rental and term contained in such Outside Offer.

In the event the Association or its designee shall fail to accept such offer or, in the case of a lease, shall fail to reject the proposed lease as permitted by Section 17.8 hereof, within twenty (20) days after receipt of notice and all additional information requested, as aforesaid the Offeree Unit Owner shall be free to accept the Outside Offer within sixty (60) days after (i) notice of refusal is given by the Association, or (ii) the expiration of the period in which the Association or its designee might have accepted such offer, as the case may be. In the event the Offeree Unit Owner shall not, within such sixty (60) day period but such sale or lease, as the case may be, shall not be consummated in accordance with the terms of such Outside Offer or within a reasonable time after the date set for closing thereunder, then, should such Offeree Unit Owner thereafter elect to sell such Unit or to lease such Unit, as the case may be, the Offeree Unit Owner shall be required to again comply with all of the terms and provisions of this Section.

Any deed or lease to an Outside Offeror shall provide (or shall be deemed to provide) that the acceptance thereof by the grantee or tenant shall constitute an assumption of the provisions of the Declaration, the By-Laws, the Articles of Incorporation, applicable rules and regulations and all other agreements, documents or instruments affecting the Condominium Property or administered by the Association, as the same may be amended from time to time.

Any lease executed in connection with the acceptance of any Outside Offer to lease a Unit shall be consistent herewith and with the By-Laws and rules and regulations and shall provide specifically that (i) it may not be modified, amended, extended or assigned without the prior consent in writing of the Board of Directors, (ii) the tenant shall not assign his interest in such lease or sublet the demised premises or any part thereof without the prior consent in writing of the Board of Directors, and (iii) the Board of Directors shall have the power, but shall not be obligated, to terminated such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of (a) a default by the tenant in the performance of its obligations to comply with the documents described in the preceding unnumbered paragraph under such lease, or (b) a foreclosure of the lien granted under the Act. Such lease shall also comply with the provisions of Section 17.8 hereof.

Except as hereinbefore set forth, the form of any such lease executed by the Association or an Outside Offeror shall contain such other modifications as shall be approved in writing by the Board of Directors. Any lease executed by the Association as tenant shall provide that the Association may enter into a sublease of the premises without the consent of the landlord.

Any purported sale or lease of a Unit in violation of this Section shall be voidable at any time at the election of the Association and if the Board of Directors shall so elect, the Unit Owner shall be deemed to have authorized and empowered the Association to institute legal proceedings to evict the purported tenant (in case of an unauthorized leasing), in the name of said Unit Owner as the purported landlord. Said Unit Owner shall reimburse the Association for all expenses (including attorneys' fees and disbursements) incurred in connection with such proceedings.

The foregoing restrictions shall not apply to Units owned by or leased to the Developer or by or to any Institutional First Mortgagee acquiring title by foreclosure or by a deed in lieu of foreclosure. The Developer and such Institutional First Mortgagees shall have the right to sell, lease or sublease Units they own or lease without having to first offer the same for sale or lease to the Association.

18.2 Consent of Unit Owners to Purchase or Lease of Units by the Association. The Association shall not exercise any option hereinabove set forth to purchase or lease any Unit without the prior approval of Owners or a majority of the Units present in person or by proxy and voting at a meeting at which a quorum has been obtained.

18.3 No Severance of Ownership. Except as elsewhere herein provided, no part of the Common Elements may be sold, conveyed or otherwise disposed of, except as an appurtenance to the Unit in connection with a sale, conveyance or other disposition of the Unit to which such interest is appurtenant, and any sale, conveyance or other disposition of a Unit shall be deemed to include that Unit's appurtenant interest in the Common Elements.

18.4 Release by the Association of the Right of First Refusal. The right of first refusal contained in Section 18.1 may be released or waived by the Association only in the manner provided in Section 18.5. In the event the Association shall release or waive its right of first refusal as to any Unit, such Unit may be sold, conveyed or leased free and clear of the provisions of said Section 18.1.

18.5 Certificate of Termination of Right of First Refusal. A certificate executed and acknowledged by an officer of the Association stating that the provisions of Section 18.1 have been satisfied by a Unit Owner, or stating that the right of first refusal contained therein has been duly released or waived by the Association and that, as a result thereof, the rights of the Association thereunder have terminated. The certificate shall be conclusive with respect to all persons who rely on such certificate in good faith. The Board of Directors shall furnish such certificate upon request to any Unit Owner in respect to whom the provisions of such Section have, in fact, terminated or been waived. No fee shall be charged by the Association in connection with the furnishing of such certificate in excess of the charges reasonably required for same, and such charges shall not exceed the maximum amount allowed under the Act. No charge shall be made in connection with the consideration of the approval of an extension or renewal of a previously approved lease.

18.6 Financing of Purchase of Units by the Association. The purchase of any Unit by the Association shall be made on behalf of all Unit Owners. If the available funds of the Association are insufficient to effectuate any such purchase, the Board of Directors may levy an Assessment against each Unit Owner (other than the Offeree Unit Owner), in proportion to his share of the Common Expenses, and/or the Board of Directors may, in its discretion, finance the

acquisition of such Unit; provided, however, that no such financing may be secured by an encumbrance or hypothecation of any portion of the Condominium Property other than the Unit to be purchased.

**18.7 Exceptions.** The provisions of Section 18.1 shall not apply with respect to any lease, sale or conveyance of any Unit by (a) the Unit Owner thereof to his spouse, children, parents, parents-in-law, siblings or a trustee, corporation or other entity where the Unit Owner or the aforementioned related persons are and continue to be the sole beneficiary or equity owner of such trustee, corporation or other entity, or to any one or more of the above, (b) the Developer, (c) the Association, (d) any proper officer conducting the sale of a Unit in connection with the foreclosure of a mortgage or other lien covering such Unit or delivering a deed in lieu of foreclosure, or (e) an Institutional First Mortgagee (or its designee) deriving title by virtue of foreclosure of its mortgage or acceptance of a deed in lieu of foreclosure; provided, however, that each succeeding Unit Owner shall be bound by, and his Unit subject to, the provisions of this Section 18.

**18.8 Gifts and Devises, etc.** Any Unit Owner shall be free to convey or transfer his Unit by gift, to devise his Unit by will, or to have his Unit pass by intestacy, without restriction; provided, however, that each succeeding Unit Owner shall be bound by and his Unit subject to, the provisions of this Section 18.

**18.9 Mortgage of Units.** Each Unit Owner shall have the right to mortgage his Unit without restriction.

**19. Compliance and Default.** Each Unit Owner and every occupant of a Unit and the Association shall be governed by and shall comply with the terms of this Declaration of Condominium and all exhibits annexed hereto, and the rules and regulations adopted pursuant to those documents, as the same may be amended from time to time. The Association (and Unit Owners, if appropriate) shall be entitled to the following relief in addition to the remedies provided by the Act.

**19.1 Negligence.** A Unit Owner shall be liable for the expense of any maintenance, repair or replacement made necessary by his negligence or by that of any member of his family or his or their guests, employees, agents or lessees, but only to the extent such expense is not met by the proceeds of insurance actually collected in respect of such negligence by the Association.

**19.2 Compliance.** In the event a Unit Owner or occupant fails to maintain a Unit or fails to cause such Unit to be maintained, or fails to observe and perform all of the provisions of the Declaration, the By-Laws, the Articles of Incorporation of the Association, applicable rules and regulations or any other agreement, document or instrument affecting the Condominium Property or administered by the Association, in the manner required, the Association shall have the right to proceed in a court of equity to require performance and/or compliance, to impose any applicable fines, to sue in a court of law for damages, to suspend voting rights in Association matters or use rights in recreational facilities, to assess the Unit Owner and the Unit for the sums necessary to do whatever work is required to put the Unit Owner or Unit in compliance and to collect such Assessment and have a lien therefor as elsewhere provided. In addition, the association shall have the right, for itself and its employees and agents, to enter the Unit and perform the necessary work to enforce compliance with the above provisions (by force, if necessary), without having committed a trespass or incurred any other liability to the Unit Owner.

**19.3 Costs and Attorneys Fees.** In any proceeding arising because of an alleged failure of a Unit Owner or the Association to comply with the requirements of the Act, this Declaration, the exhibits annexed hereto or the rules and regulations adopted pursuant to said documents, as the same may be amended from time to time, the prevailing party shall be entitled to recover the costs of the

proceeding and such reasonable attorneys fees (including appellate attorneys fees) as may be awarded by the court.

19.4 No Waiver of Rights. The failure of the Association or any Unit Owner to enforce any covenant, restriction or other provision of the Act, this Declaration and the exhibits annexed hereto, or the rules and regulations adopted pursuant to said documents, as the same may be amended from time to time, shall not constitute a waiver of their right to do so thereafter.

20. Merger of Condominium.

The Condominium may be merged with one or more condominiums within the Development to form a single condominium upon (i) the approval of eighty (80%) percent of all the Unit Owners of this Condominium and eighty (80%) percent of all of the Unit Owners of such other condominium(s), (ii) the approval of all of the Institutional First Mortgagees and of all record owners of liens, and (iii) upon the recording of new or amended articles of incorporation, declaration(s) of condominium and by-laws. In this connection the Developer covenants that the Condominium will not be merged with another condominium or condominiums without prior written approval of the Administrator of the Veterans Administration and/or the Administrator of the Federal Housing Administration.

21. Termination of Condominium.

The Condominium shall continue until (i) terminated by casualty loss, condemnation or eminent domain, as more particularly provided in this Declaration, or (ii) such time as withdrawal of the Condominium Property from the provisions of the Act is authorized by a vote of Owners owning at least 75% of the applicable interests in the Common Elements (after 20% of the Units have been sold to Unit Owners other than the Developer, the Developer will not vote the Units owned by it for such withdrawal unless the Owners of at least 75% of all other applicable interests in the Common Elements so elect for such withdrawal, at which time Developer may choose to vote either in favor of or against withdrawal from Condominium ownership, as it sees fit), and by the Primary Institutional First Mortgagee. In the event such withdrawal is authorized as aforesaid, the Condominium Property shall be subject to an action for partition by any Unit Owner, mortgagee or lienor as if owned in common in which event the net proceeds of sale shall be divided among all Unit Owners in proportion to their respective interests in the Common Elements, provided, however, that no payment shall be made to a Unit Owner until there has first been paid off out of his share of such net proceeds all mortgages and liens of his Unit in the order of their priority. The termination of the Condominium, as aforesaid, shall be evidenced by a certificate of the Association executed by its President and Secretary, certifying as to the basis of the termination and said certificate shall be recorded among the Public Records of the County. This section may not be amended without the consent of all Institutional First Mortgagees and the Developer so long as it owns any Unit.

22. Additional Rights of Institutional First Mortgagees. In addition to all other rights herein set forth, Institutional First Mortgagees shall have the right, upon written request to the Association, to:

- 22.1 Examine the Association's books and records; and require copies of the annual reports and other financial data;
- 22.2 Receive notice of Association meetings and attend such meetings;
- 22.3 Receive notice of an alleged default by any Unit Owner, for whom such Mortgagee holds a mortgage, which is not cured within thirty (30) days of notice of default to such Unit Owner; and
- 22.4 Receive notice of any substantial damage or loss to any portion of the Condominium Property.

23. Execution of Documents Required by the County.

The Developer's plan for the development of the Development, as a community may require from time to time the execution of certain documents required by the County. To the extent that said documents require the joinder of any or all property owners in the Development, each of said Owners, by virtue of his acceptance of a deed to his Unit, does irrevocably give and grant to the Developer, or any of its officers individually, full power of attorney to execute said documents as his agent and in his place and stead.

24. Covenant Running With the Land.

All provisions of this Declaration, the Articles, By-Laws and applicable rules and regulations of the Association shall, to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land and with every part thereof and interest therein, and all of the provisions hereof and thereof shall be binding upon and inure to the benefit of the Developer and subsequent owner(s) of the Land or any part thereof, or interest therein, and their respective heirs, personal representatives, successors and assigns, but the same are not intended to create nor shall they be construed as creating any rights in or for the benefit of the general public. All present and future Unit Owners, tenants and occupants of Units shall be subject to and shall comply with the provisions of this Declaration and such Articles, By-Laws and applicable rules and regulations, as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into of a lease, or the entering into occupancy of any Unit, shall constitute an adoption and ratification of the provisions of this Declaration and the Articles, By-Laws and applicable rules and regulations of the Association, as they may be amended from time to time by such Unit Owner, tenant or occupant.

25. Reservation of Right to Own, Install, Provide and Maintain a Closed Circuit Television System, Telecommunications System, a Master Antennae System and Community Antennae Television System (CATV Service).

25.1 Developer reserves and retains to itself, its successors and assigns: (i) the title to any closed circuit television system, telecommunications system, master antennae system, and related ancillary services and to the equipment including but not limited to conduits, wires, amplifiers, towers, antennae and related apparatus and electronic equipment both active and passive (the "Central System") in and upon the Condominium Property and a perpetual easement for the placement and location of the Central System including, but not limited to conduits, wires, amplifiers, towers, antennae and related apparatus and electronic equipment, both active and passive, and (ii) a perpetual easement for ingress to and egress from the Condominium Property to service, maintain, install, repair and replace the aforesaid apparatus and equipment; and (iii) the right to connect the Central System to such receiving source as Developer may in its sole discretion deems appropriate, including, without limitation, companies licensed to provide the CATV service in Lee County, for which service Developer, in its successors and assigns or designees shall have the right to charge the Association and/or individual Unit Owners a reasonable fee not to exceed the maximum allowable charge for CATV service to single family residences as charged within the general vicinity.

25.2 The Unit Owners acknowledge that the Central System described subsection "A" above, includes but is not limited to the CATV services as well as the ancillary services which may include security; medical, smoke and fire alert; information retrieval and so forth. Such Central System is offered as part of Developer's endeavor to provide a total environment to the Unit Owners and enhance the "way-of-life" at the Development.

26. Architectural Control and Maintenance Standards Committee.

26.1 Establishment of Committee and Acceptance by Unit Owners. The Condominium created by this Declaration is part and parcel of the Development, a multi-staged residential development. Each Unit Owner, by virtue of his acceptance of a warranty deed, acknowledges the necessity of maintaining the physical appearance and image of the entire Development as a quality residential community and additionally, that the success of the Developer in developing and selling the remaining portions of the Development is closely related to the physical appearance and image of the completed portions of the Development.

Accordingly, there is established a Committee known as the "Architectural Control and Maintenance Standards Committee" hereinafter referred to as "Committee" for a period terminating either on the thirty-first (31st) day of December, 1989, or the date that the last condominium association in the Development comes under the control of its Unit Owners by their election of that Association's Board of Directors or earlier at the option of Developer, whichever shall first occur. The Committee shall be empowered to adopt and promulgate from time to time minimum standards for architectural control and maintenance of the physical appearance of the Common Elements, not only of this Condominium, but of all other Condominiums in the Development. Additionally, the Committee will adopt standards for the Common Areas.

26.2 Members of Committee. The Committee shall consist of three (3) members designated by the Development. Each member of the Committee shall be appointed by the Developer and shall hold office until such time as he has resigned or has been removed and his successor has been appointed by the Developer. Members of the Committee may be removed at any time without cause by Developer. The membership may include building and landscape architects, contractors, subcontractors or other persons that the Developer may deem sufficiently qualified to render an opinion as to architectural standards and minimum standards of maintenance.

26.3 Repair of Proposed Construction. With respect to the Common Elements of this Condominium no building, exterior wall or other exterior structure shall be commenced, erected or maintained, nor shall any exterior painted surfaces be repainted, nor shall any exterior addition or change or alteration be made to the exterior of any building, nor shall there be any material modification of the landscaping until the plans and specifications showing the nature, kind, shape, heights, materials and location of the same shall have been submitted to and approved in writing, as to harmony of external design and color and location in relation to surrounding structures and topography, by the Committee. The Committee shall approve proposals or plans and specifications only if submitted for its approval by the Association and only if it deems that the construction, alterations or additions contemplated thereby in the locations indicated will not be detrimental to the appearance of the entire Development, and that the appearance of any structure affected thereby will be in harmony with the surrounding structures. The Committee may condition its approval of proposals or plans and specifications on such changes therein as it deems appropriate, and may require submission of additional plans and specification or other information prior to approving or disapproving material submitted. The Committee may also issue rules or guidelines setting forth procedures for the submissions of plans for approval. The Committee may require such detail in plans and specifications submitted for its review as it deems proper, including without limitations, floor plans, site plans, drainage plans, elevation drawings and descriptions or samples of exterior materials and colors. Until receipt by the Committee of any required plans and specifications the Committee may postpone review of any plans submitted for approval. Notwithstanding any provision of this Subsection, approval of the Committee shall not be required with respect to original construction performed or caused to be performed by Developer. In the event the Association proceeds with improvements without submitting plans to the Committee or submits



plans to the Committee and proceeds without the approval of the Committee, the Committee shall have the right but not the duty to take such action as is set forth in subsection 6 of this Section 26 and any other remedies as be prescribed by law.

26.4 Maintenance and Repair Obligations. In the event any improvements to the Common Elements fall into disrepair or are not maintained so as to create a dangerous, unsafe, unsightly or unattractive condition, or otherwise violate this Declaration, the Committee has the right, but not the duty to take such action as is set forth in subsection 6 of this Section 26 and any other remedies prescribed by law. The obligations to maintain shall include but not be limited to exterior paint on any building, landscaping, paving, trash removal, repair of exterior building surfaces and vending machine maintenance.

26.5 Inspection. The Committee shall have the right to inspect from time to time the Common Elements of the Condominium in order to determine whether the maintenance standards, or improvements to the Common Elements are not in compliance with the architectural standards of the Committee, the Committee shall issue a report to the Developer particularly the deficiencies and the Developer shall thereafter submit the report to the Board of the Association. Within thirty (30) days of receipt of the report, the Association shall commence with the repair, maintenance or restoration specified in the report diligently pursue completion of same in an expeditious manner. The cost of all work shall be the responsibility of the Association and shall be a Common Expense of the Condominium.

Each Unit Owner and the Association do hereby authorize and vest in the Developer the following powers should the Association fail or refuse to commence and complete maintenance, repair or restoration required by the report of the Committee:

(a) The Developer may let out for bid the work required by the report of the Committee, negotiate and accept bids and authorize contractors or subcontractors to enter upon the Common Elements of the Condominium for the purpose of performing the specified work in which case the Developer shall be acting as the agent for the Association and the Unit Owners and the entrance upon the Common Elements of those performing the work shall be a lawful entry and shall not be deemed a trespass. Developer shall have the right to pay the contractors and subcontractors performing the work and the Developer is authorized in its own name to record a lien against the Condominium among the public records of Lee County, Florida in the amount of the cost of said work that the Developer has expended which lien shall be a lien against the Common Elements and Units of the Condominium for which the work was performed, which lien shall remain in effect until such time as it is satisfied of record by the payment to the Developer of the monies expended by it together with interest at the rate of eighteen (18%) percent per annum from the date of the expenditure. The recording of the lien is hereby deemed to constitute constructive notice to third parties of the existence of the lien and all sales, mortgages or other transfers or conveyances subsequent to the recording date shall be subject to the lien of the Developer. Each Unit Owner and the Association give and grant unto the Developer the power to foreclose its lien in the event that it remains unpaid and agree that the procedures to be utilized in said foreclosure proceeding shall be those set forth in the Statutes of the State of Florida relating to the foreclosure of a mechanic's lien and any and all defenses or right to contest are hereby waived.

(b) Alternatively, upon receiving the bids of contractors and subcontractors for the work required to be done by the report of the Committee, Developer may elect not to cause said work to be done, and notwithstanding that, to record the lien prescribed above in the amount of the bids of contractors and subcontractors for the work set forth in the Committee report. Upon payment of the lien to the Developer, the Developer shall then cause the work to be performed and to pay the contractors and subcontractors performing

the work from the proceeds satisfying the lien. Upon payment of the contractors and subcontractors, Developer shall render to the Association a report setting forth to whom and what amounts the funds were disbursed. The lien herein prescribed shall have the same priority upon recordation and shall be foreclosed in the same manner as that set forth in subsection 26.6(a) of this Section.

The report of the Committee shall be conclusive as to the nature of the work required to be done and the bids accepted by Developer shall be conclusive as to price. The phrase "Common Elements" wherever it appears in this Section 26 shall be deemed to include the phrase "Limited Common Elements".

27. Additional Provisions.

27.1 Notices. All notices to the Association required or desired hereunder or under the By-Laws of the Association shall be sent by certified mail (return receipt requested) to the Association in care of its office at the Condominium, or to such other address as the Association may hereafter designate from time to time by notice in writing to all Unit Owners. Except as provided specifically in the Act, all notices to any Unit Owner shall be sent by first class mail to the Condominium address of such Unit Owner, or such other address as may have been designated by him from time to time, in writing, to the Association. All notice to mortgagees of Units shall be sent by first class mail to their respective addresses, or such other address as may be designated by them from time to time, in writing, to the Association. All notices shall be deemed to have been given when mailed in a postage-prepaid, sealed wrapper, except notice of a change of address, which shall be deemed to have been given when received, or five (5) business days after proper mailing, whichever shall first occur.

27.2 Interpretation. The Board of Directors of the Association shall be responsible for interpreting the provisions hereof and of any of the Exhibits attached hereto. Such interpretation shall be binding upon all parties unless wholly unreasonable. An opinion of counsel that any interpretation adopted by the Association is not unreasonable shall conclusively establish the validity of such interpretation.

27.3 Mortgagees. The Association shall not be responsible to any mortgagee or lienor of any Unit hereunder and may assume the Unit is free of any such mortgages or liens, unless written notice of the existence of such mortgage or lien is received by the Association.

27.4 Exhibits. There is hereby incorporated in this Declaration any materials contained in the Exhibits annexed hereto which under the Act are required to be part of the Declaration.

27.5 Signature of President and Secretary. Wherever the signature of the President of the Association is required hereunder, the signature of a vice-president may be substituted therefor, and wherever the signature of the Secretary of the Association is required hereunder, the signature of an assistant secretary may be substituted therefor, provided that the same person may not execute any single instrument on behalf of the Association in two separate capacities.

27.6 Governing Law. Should any dispute or litigation arise between any of the parties whose rights or duties are affected or determined by this Declaration, the Exhibits annexed hereto or applicable rules and regulations adopted pursuant to such documents, as the same may be amended from time to time, said dispute or litigation shall be governed by the laws of the State of Florida.

27.7 Severability. The invalidity in whole or in part of any covenant or restriction, or any section, subsection, sentence, clause, phrase or word, or other provision of this Declaration, the Exhibits annexed hereto, or applicable rules and regulations adopted

pursuant to such documents, as the same may be amended from time to time, shall not affect the validity of the remaining portions thereof which shall remain in full force and effect.

27.8 Waiver. No provisions contained in this Declaration shall be deemed to have been waived by reason of any failure to enforce the same, without regard to the number of violations or breaches which may occur.

27.9 Ratification. Each Unit Owner, by reason of having acquired ownership (whether by purchase, gift, operation of law, or otherwise), and each occupant of a Unit, by reason of his occupancy, shall be deemed to have acknowledged and agreed that all of the provisions of this Declaration, and the Articles and By-Laws of the Association, and applicable rules and regulations and reasonable in all material respects.

27.10 Execution of Documents; Attorney-In-Fact. Without limiting the generality of other sections of this Declaration and without such other Sections limiting the generality hereof, each Owner, by reason of the acceptance of a deed to such Owner's Unit, hereby agrees to execute, at the request of the Developer and its affiliates, to complete the plan of development of the Development (of which the Condominium is a part), as hereafter amended and each such Owner further appoints hereby and thereby the Developer as such Owner's agent and attorney-in-fact to execute, on behalf and in the name of such Owners, any and all of such documents or consents. This power of attorney is irrevocable and coupled with an interest. The provisions of this Section may not be amended without the consent of the Developer.

27.11 Gender; Plurality. Wherever the context so permits, the singular shall include the plural, the plural shall include the singular, and the use of any gender shall be deemed to include all or no genders.

27.12 Captions. The captions herein and in the Exhibits annexed hereto are inserted only as a matter of convenience and for ease of reference and in no way define or limit the scope of the particular document or any provision thereof.

IN WITNESS WHEREOF, the Developer has caused this Declaration to be duly executed and its corporate seal to be hereunto affixed this 25th day of January, 1985.

Signed, sealed and delivered  
in the presence of:

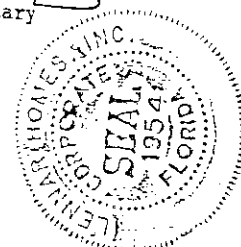
LENNAR HOMES, INC.

*Janet S. English*  
*Carol M. Guter*

By: *M. E. Salda*  
M. E. SALEDA, Vice President

Attest: *M. J. Watsky*  
MORRIS J. WATSKY  
Assistant Secretary

(Corporate Seal)



ACKNOWLEDGEMENT

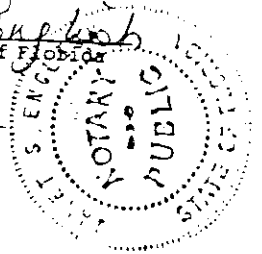
STATE OF FLORIDA  
COUNTY OF DADE

The foregoing Declaration of Condominium was acknowledged before me this 25th day of January, 1985 by M. E. SALEDA and MORRIS J. WATSKY, as Vice President and Assistant Secretary, respectively, of LENNAR HOMES, INC., a Florida corporation, on behalf of said corporation.

*Janet S. English*  
Notary Public, State of Florida

My Commission Expires: -

NOTARY PUBLIC STATE OF FLORIDA  
MY COMMISSION EXP. AUG 10, 1988  
BONDED THRU GENERAL INS. UND.



Prepared by  
Lennar Homes  
6214 Presidential Ct  
Suite F

ARBOR LAKES CONDOMINIUM NO. 2

Legal Description

A tract or parcel of land situated in the State of Florida, County of Lee, being a part of Section 36, Township 43 South, Range 24 East, and further bounded and described as follows:

Starting at the southwest corner of the southeast one quarter (SE 1/4) of said Section 36; thence S 89°21'53" E along the south line of the southwest one quarter (SW 1/4) of said southeast one quarter (SE 1/4) for 1329.09 feet to the southwest corner of the southeast one quarter (SE 1/4) of said southeast one quarter (SE 1/4); thence S 89°19'42" E along the south line of said southeast one quarter (SE 1/4) of said southeast one quarter (SE 1/4) for 334.55 feet; thence N 00°38'06" E for 376.11 feet; thence S 88°49'41" E for 53.05 feet to the point of beginning of the herein described parcel; thence N 00°38'07" E for 472.00 feet; thence S 85°59'58" E for 30.93 feet; thence N 04°00'02" E for 20.00 feet; thence S 85°59'58" E for 143.81 feet; thence S 72°24'09" E for 114.84 feet; thence S 17°19'13" W for 392.45 feet to the beginning of a curve concave to the northwest having a radius of 113.00 feet; thence southwesterly, westerly and northwesterly along said curve through a central angle of 90°59'01" for 179.44 feet to a reverse curve concave to the southwest having a radius of 60.00 feet; thence northwesterly along said curve through a central angle of 17°07'55" for 17.94 feet; thence N 88°49'41" W for 12.59 feet to the point of beginning.

DEC 1765 14767

ALLOCATION OF PERCENTAGE SHARES OF  
COMMON ELEMENTS, COMMON EXPENSES AND COMMON SURPLUS

Each Unit shall have as an appurtenance thereto the percentage share of the Common Elements, Common Expenses and Common Surplus set forth opposite such Unit below:

ARBOR LAKE CONDOMINIUM NO. "2"

BUILDING 10012

<u>UNIT</u>	<u>PERCENTAGE SHARE</u>
1	6.25
2	6.25
3	6.25
4	6.25
5	6.25
6	6.25
7	6.25
8	6.25

BUILDING 10013

1	6.25
2	6.25
3	6.25
4	6.25
5	6.25
6	6.25
7	6.25
8	6.25



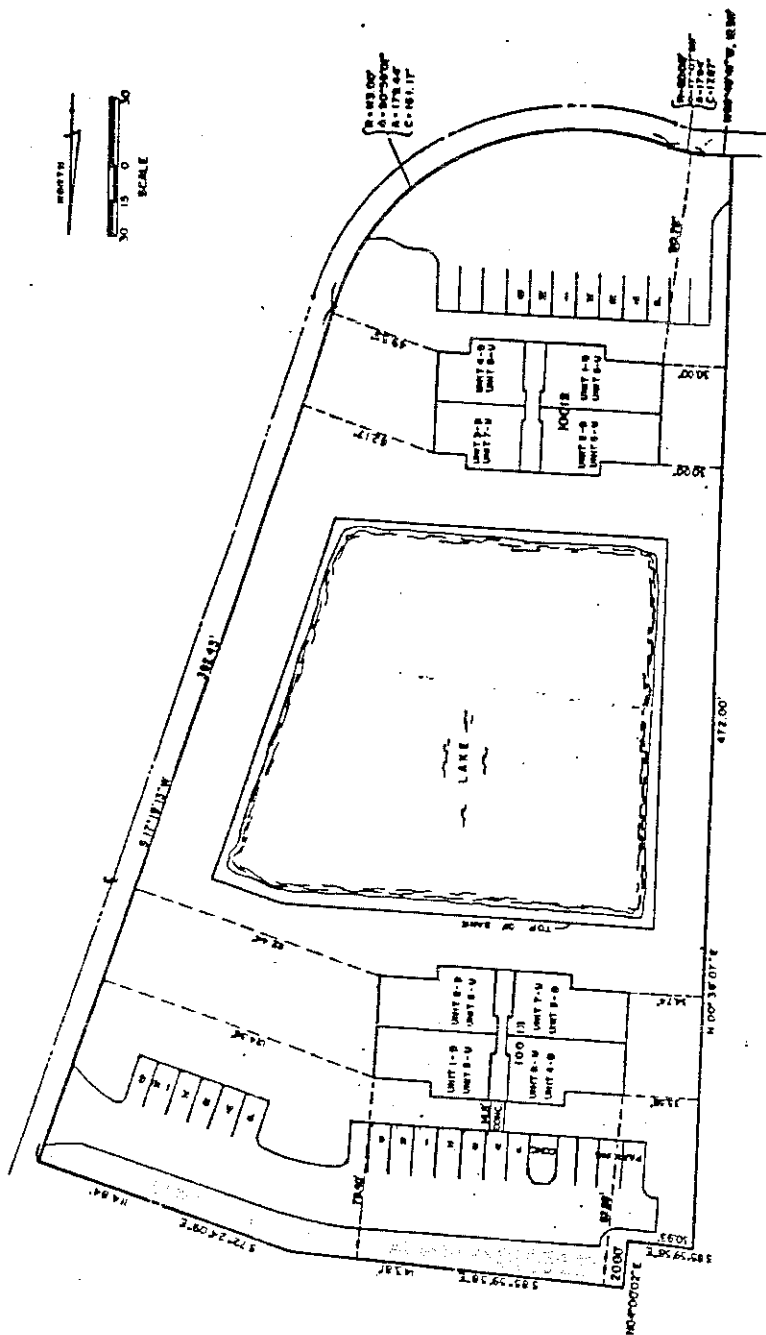
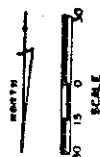
**ARBOR LAKES CONDOMINIUM #2**  
A CONDOMINIUM

A PARCEL LYING IN SECTION 36, T-43S, R-24E, LEE COUNTY, FLORIDA.

SECRET COPY

**Interiors • Design & Construction**

FEBRUARY 1984





SURVEYORS PLAT, EXHIBIT "A" TO CONDOMINIUM DECLARATION OF

**ARBOR LAKES CONDOMINIUM #2**

A CONDOMINIUM

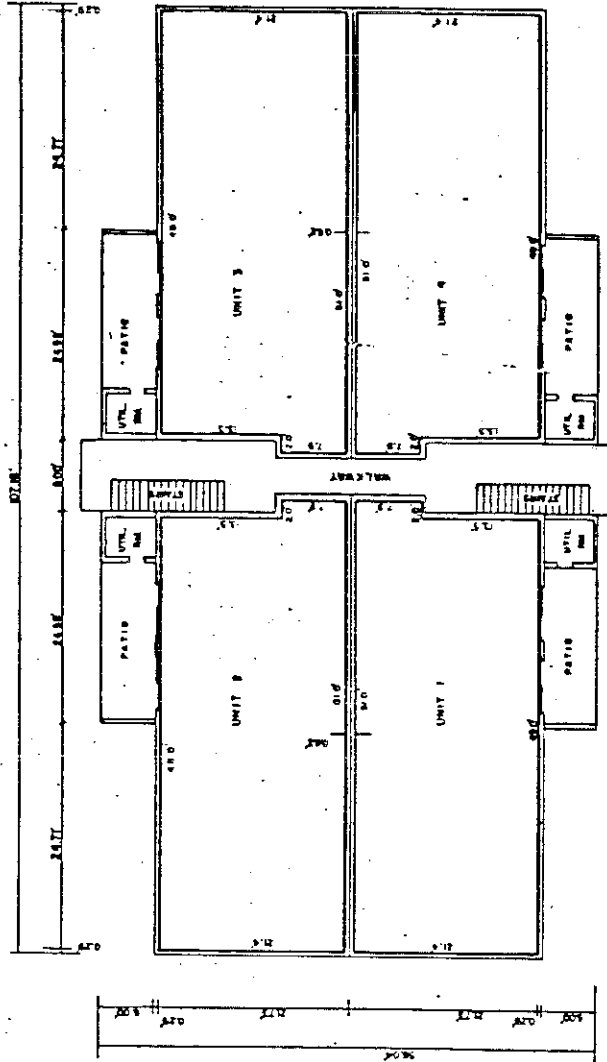
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CONDOMINIUM PLAT BOOK PAGE

SHEET 3 OF 7

Donald J. Smith & Associates, Inc.  
Professional Engineers and Surveyors  
4333-10th Avenue, Suite 100  
Fort Worth, Texas 76104

FEBRUARY 1994



BUILDING #10013 FIRST FLOOR

SURVEYORS PLAT, EXHIBIT "A" TO CONDOMINIUM DECLARATION OF  
**ARBOR LAKES CONDOMINIUM #2**

A CONDOMINIUM

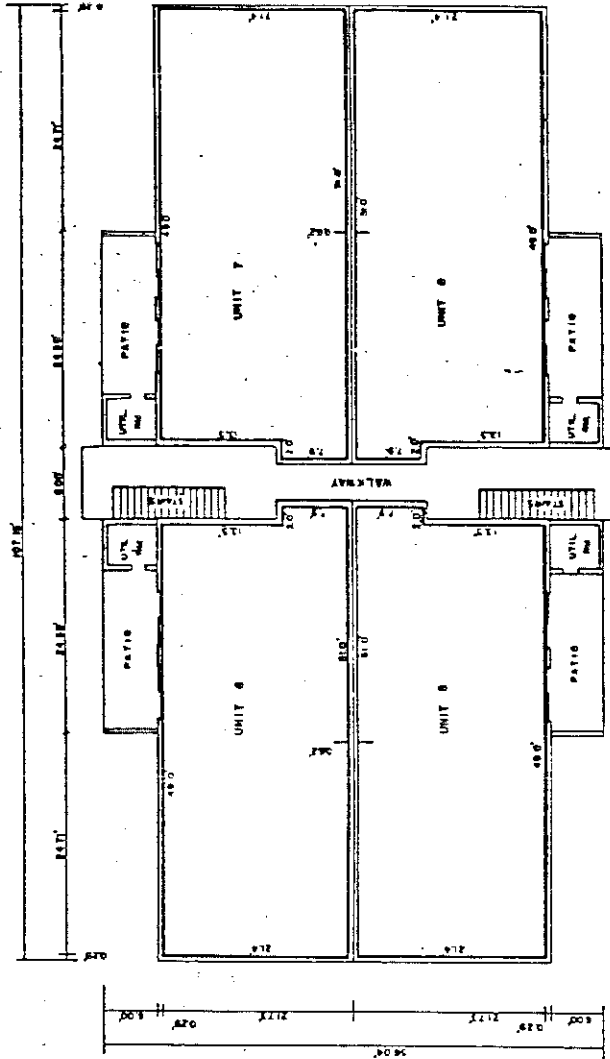
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CONDOMINIUM PLAT BOOK PAGE

SHEET 4 OF 7

Prepared by: David S. Rosenbloom, Inc.  
 Surveying Engineers and Surveyors  
 11001 N.W. 11th Avenue, Suite 100  
 Fort Lauderdale, Florida 33324

FEBRUARY 1994



BUILDING #100.13 SECOND FLOOR

REF: 1763 to 4711

SURVEYOR'S PLAT EXHIBIT ' ' TO CONDOMINIUM DECLARATION OF:

**ARBOR LAKES CONDOMINIUM #2**

A CONDOMINIUM

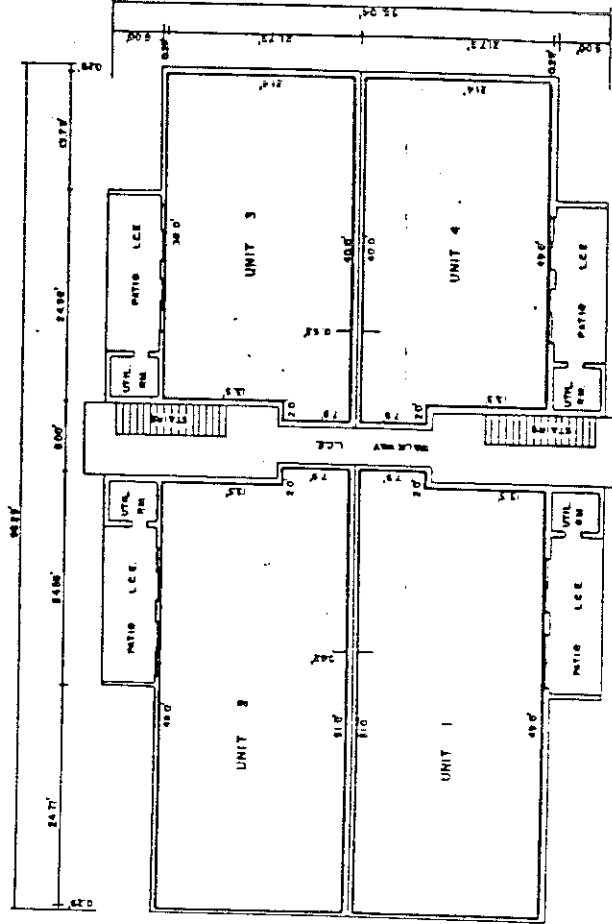
A PARCEL LYING IN SECTION 36, T-43S, R-24E, LEE COUNTY, FLORIDA

CONDOMINIUM PLAT BOOK PAGE

SHEET 8 OF 7

Harold P. Smith & Associates, Inc.  
Surveyors, Engineers and Planners  
8150 N. W. 11th Avenue, Suite 100  
Fort Lauderdale, Florida 33309

FEBRUARY 1996

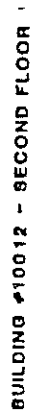


BUILDING #10012 - FIRST FLOOR

DEF REC: 1765 PG 4712

## A CONDOMINIUM

**PREPARED BY 12004**



REF ID: A71123

SURVEYOR'S PLAT EXHIBIT "A" TO CONDOMINIUM DECLARATION OF  
**ARBOR LAKES CONDOMINIUM #2**

A CONDOMINIUM

A PARCEL LYING IN SECTION 36, T-43B, R-24E, LEE COUNTY, FLORIDA

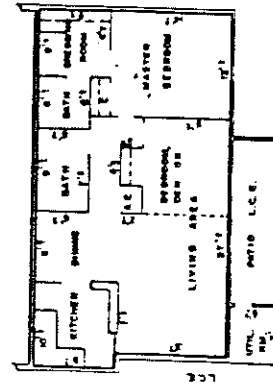
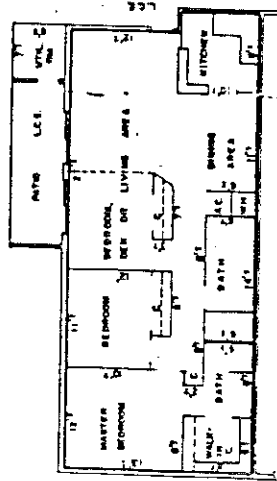
CONDOMINIUM PLAT BOOK PAGE

SHEET 7 OF 7

Prepared by: **David S. Anderson, Inc.**  
 Licensed Professional Surveyors and Engineers  
 4331 W. US Highway 1  
 Fort Myers, Florida 33907

FEBRUARY 1994

TYPICAL UNITS  
 (AS SHOWN OR REVERSED)



LEGEND:

A.C. - AIR CONDITIONER

W.H. - WATER HEATER

UTIL. RM. - UTILITY ROOM

L.C.E. - LIMITED COMMON ELEMENT

REF. 1765 + 1714



UNIT BOUNDARY ELEVATIONS

(TYPICAL ALL UNITS)



NO 1765

FILED  
JUN 21 1982  
LEE COUNTY, FLA.

ARTICLES OF INCORPORATION

FOR

ARBOR LAKE CONDOMINIUM NO. 2 ASSOCIATION, INC.

1765 PG 4716

The undersigned subscribers by these Articles associate themselves for the purpose of forming a corporation not for profit pursuant to the laws of the State of Florida, and hereby adopt the following Articles of Incorporation:

ARTICLE 1

NAME

The name of the corporation shall be ARBOR LAKE CONDOMINIUM NO. 2 ASSOCIATION, INC. For convenience, the corporation shall be referred to in this instrument as the "Association", these Articles of Incorporation as the "Articles" and the By-Laws of the Association as the "By-Laws".

ARTICLE 2

PURPOSE

The purpose for which the Association is organized is to provide an entity pursuant to the Florida Condominium Act (the "Act") for the operation of that certain condominium located in Lee County, Florida, and known as ARBOR LAKE CONDOMINIUM NO. 2 (the "Condominium").

ARTICLE 3

DEFINITIONS

The terms used in these Articles shall have the same definitions and meaning as those set forth in the Declaration of the Condominium to be recorded in the Public Records of Lee County, Florida, unless herein provided to the contrary, or unless the context otherwise requires.

ARTICLE 4

POWERS

The powers of the Association shall include and be governed by the following:

§4.1 General. The Association shall have all of the common-law and statutory powers of a corporation not for profit under the laws of Florida that are not in conflict with the provisions of these Articles, the Declaration, the By-Laws or the Act.

§4.2 Enumeration: The Association shall have all of the powers and duties reasonably necessary to operate the Condominium pursuant to the Declaration and as more particularly described in the By-Laws, as they may be amended from time to time, including, but not limited to, the following:

- (a) To make and collect Assessments and other charges against members as Unit Owners, and to use the proceeds thereof in the exercise of its powers and duties.

- (b) To buy, own, operate, lease, sell, trade and mortgage both real and personal property as may be necessary or convenient in the administration of the Condominium.
- (c) To maintain, repair, replace, reconstruct, add to and operate the Condominium Property, and other property acquired or leased by the Association for use by Unit Owners.
- (d) To purchase insurance upon the Condominium Property and insurance for the protection of the Association, its officers, directors and members as Unit Owners.
- (e) - To make and amend reasonable rules and regulations for the maintenance, conservation and use of the Condominium Property and for the health, comfort, safety and welfare of the Unit Owners.
- (f) To enforce by legal means the provisions of the Act, the Declaration, these Articles, the By-Laws, and the rules and regulations for the use of the Condominium Property.
- (g) To contract for the management and maintenance of the Condominium Property and to authorize a management agent (which may be an affiliate of the Developer) to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of Assessments, preparation of records, enforcement of rules and maintenance, repair and replacement of the Common Elements with funds as shall be made available by the Association for such purposes. The Association and its officers shall, however, retain at all times the powers and duties granted by the Condominium Documents and the Condominium Act, including but not limited to the making of Assessments, promulgations of rules and execution of contracts on behalf of the Association.
- (h) To employ personnel to perform the services required for the proper operation of the Condominium.

§4.3 Condominium Property. All funds and the titles of all properties acquired by the Association and their proceeds shall be held for the benefit and use of the members in accordance with the provisions of the Declaration, these Articles and the By-Laws.

§4.4 Distribution of Income; Dissolution. The Association shall make no distribution of income to its members, directors or officers, and upon dissolution, all assets of the Association shall be transferred only to another non-profit corporation or a public agency.

§4.5 Limitation: The powers of the Association shall be subject to and shall be exercised in accordance with the provisions hereof and of the Declaration, the By-Laws and the Act.

## ARTICLE 5

### MEMBERS

§5.1 Membership: The members of the Association shall consist of all of the record owners of Units in the Condominium from time to time, and after termination of the Condominium shall consist of those who were members at the time of such termination, and their successors and assigns.

§5.2 Assignment: The share of a member in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to the Unit for which that share is held.

§5.3 Voting: On all matters upon which the membership shall be entitled to vote, there shall be only one vote for each Unit, which vote shall be exercised or cast in the manner provided by the Declaration and By-Laws. Any person or entity owning more than one Unit shall be entitled to one vote for each Unit owned.

§5.4 Meetings: The By-Laws shall provide for an annual meeting of members, and may make provision for regular and special meeting of members other than the annual meeting.

## ARTICLE 6

### TERM OF EXISTENCE

The Association shall have perpetual existence.

## ARTICLE 7

### SUBSCRIBERS

The names and address of the subscribers to these Articles are as follows:

#### NAME

#### ADDRESS

MORRIS J. WATSKY

700 N.W. 107 Avenue  
Miami, Florida 33172

## ARTICLE 8

### OFFICERS

The affairs of the Association shall be administered by the officers holding the offices designated in the By-Laws. The officers shall be elected by the Board of Directors of the Association at its first meeting following the annual meeting of the members of the Association and shall serve at the pleasure of the Board of Directors. The By-Laws may provide for the removal from office of officers, for filling vacancies and for the duties of the officers. The names and addresses of the officers who shall serve until their successors are designated by the Board of Directors are as follows:

PRESIDENT:

Robert C. Bigham

VICE PRESIDENT:

Raymond Anderson

SECRETARY/TREASURER:

Rebecca Montgomery



ARTICLE 9

REC 1765 PG 4719

DIRECTORS

§9.1 Number and Qualification. The property, business and affairs of the Association shall be managed by a Board consisting of the number of directors determined in the manner provided by the By-Laws but which shall consist of not less than three (3) directors. Directors need not be members of the Association or residents of Units in the Condominium.

§9.2 Duties and Powers. All of the duties and powers of the Association existing under the Act, the Declaration, these Articles and the By-Laws shall be exercised exclusively by the Board of Directors, its agents, contractors or employees, subject only to approval by Unit Owners when such approval is specifically required.

§9.3 Election; Removal. Directors of the Association shall be elected at the annual meeting of the members in the manner determined by and subject to the qualifications set forth in the By-Laws. Directors may be removed and vacancies on the Board of Directors shall be filled in the manner provided by the By-Laws.

§9.4 Term of Developer's Directors: The Developer of the Condominium shall appoint the members of the first Board of Directors and their replacements who shall hold office for the periods described in the By-Laws.

§9.5 First Directors. The names and addresses of the members of the first Board of Directors who shall hold office until their successors are elected and have qualified, as provided in the By-Laws, are as follows:

<u>NAME</u>	<u>ADDRESS</u>
RAYMOND ANDERSON	2110 Cleveland Avenue Ft. Myers, Florida 33901
ROBERT C. BIGHAM	700 N. W. 107 Avenue Miami, Florida 33172
REBECCA MONTGOMERY	5792-4 New South Province Blvd. Ft. Myers, Florida 33907

ARTICLE 10

INDEMNIFICATION

§10.1 Indemnity: The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or contemplated action suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a Director, employee, officer or agent of the Association, against expenses including attorneys' fees and appellate attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action,

suit or proceedings, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interest of the Association, and, with respect to any criminal action or proceeding, has no reasonable cause to believe his conduct was unlawful, except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have adjudged to be liable for gross negligence or misfeasance or malfeasance in the performance of his duty to the Association, unless and only to the extent that the court in which such action or suit was brought shall determine upon application that despite the adjudication of liability, but in view of all of the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interest of the Association, and with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

**\$10.2 Expenses.** To the extent that a director, officer, employee or agent of the Association has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 10.1 above, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees and appellate attorneys' fees) actually and reasonably incurred by him in connection therewith.

**\$10.3 Approval.** Any indemnification under Section 10.1 above (unless ordered by a court) shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the directors, officer, employee or agent is proper under the circumstances because he has met the applicable standard of conduct set forth in Section 10.1 above. Such determination shall be made (a) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or (b) if such quorum is not obtainable, or, even if obtainable, if a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or by a majority of the members.

**\$10.4 Advances.** Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Association in advance of the final disposition of such action, suit or proceeding as authorized by the Board of Directors in any specific case upon receipt of an undertaking by or on behalf of the affected director, officer, employee or agent to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Association as authorized in this Article 10.

**\$10.5 Miscellaneous:** The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any By-Law, agreement, vote of members or otherwise, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs and personal representatives of such person.

**\$10.6 Insurance:** The Association shall have the power to purchase and maintain insurance on behalf of any person who is or

was a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability under the provisions of this Article.

# ARTICLE 11

## BY-LAWS

The first By-Laws of the Association shall be adopted by the Board of Directors and may be altered, amended or rescinded by the Directors, members and the Developer in the manner provided in the By-Laws and the Declaration.

# ARTICLE 12

## AMENDMENTS

Amendments to these Articles shall be proposed and adopted in the following manner:

§12.1 Notice. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which the proposed amendment is to be considered.

§12.2 Adoption. A resolution for the adoption of a proposed amendment may be proposed either by a majority of the Board of Directors or by not less than one-third (1/3) of the members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, providing the approval is delivered to the Secretary at or prior to the meeting. The approvals must be:

- (a) by not less than a majority of the votes of all of the members of the Association represented at a meeting at which a quorum thereof has been attained and by not less than 66-2/3% of the entire Board of Directors; or
- (b) by not less than 80% of the votes of all of the members of the Association represented at a meeting at which a quorum has been attained; or
- (c) by not less than 100% of the entire Board of Directors.

§12.3 Limitation. Provided, however, that no amendment shall make any changes in the qualifications of membership nor in the voting rights or property rights of members, nor any changes in Section 4.3 and 4.5 of Article 4, entitled "Powers", without the approval in writing of all members and the joinder of all record owners of mortgages upon Units. No amendment shall be made that is in conflict with the Act, the Declaration or the By-Laws, nor shall any amendment make any changes which would in any way affect any of the rights, privileges, powers or options herein provided in favor of or reserved to the Developer, or an affiliate of the Developer, unless the Developer shall join in the execution of the amendment.

§12.4 The Developer may amend these Articles consistent with the provisions of the Declaration allowing certain amendments to be effected by the Developer alone.

§12.5 Recording. A copy of each amendment shall be filed with the Secretary of State pursuant to the provisions of applicable Florida law, and a copy certified by the Secretary of State shall be recorded in the Public Records of Lee County, Florida.

§12.6 Notwithstanding the foregoing, these Articles may not be amended without the written approval of Foxmoor Lakes Property Owners Association, Inc.

ARTICLE 13

INITIAL REGISTERED OFFICE; ADDRESS AND  
NAME OF REGISTERED AGENT

The initial registered office of the corporation shall be at 700 N.W. 107th Avenue, Miami, Florida 33172, with the privilege of having its office and branch offices at other places within or without the State of Florida. The initial registered agent at that address shall be MORRIS J. WATSKY.

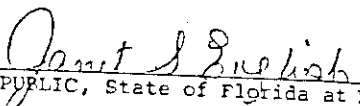
IN WITNESS WHEREOF, the subscriber has affixed his signature  
this 25th day of January, 1985.

  
MORRIS J. WATSKY

ACKNOWLEDGMENTS

STATE OF FLORIDA :  
COUNTY OF DADE :

The foregoing Articles of Incorporation were acknowledged before me  
this 25th day of January, 1985, by Morris J. Watsky.

  
NOTARY PUBLIC, State of Florida at Large

My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA  
MY COMMISSION EXP. AUG 10, 1988  
BONDED THRU GENERAL INS. UND.

REC-1765 to 4723

CERTIFICATE DESIGNATING PLACE OF BUSINESS FOR SERVICE OF PROCESS WITHIN  
THIS STATE, NAMING AGENT UPON WHOM PROCESS MAY BE SERVED.

Pursuant to Chapter 48.091, Florida Statutes, the following is  
submitted in compliance with said Act:

That, ARBOR LAKE CONDOMINIUM NO."1" ASSOCIATION, INC., desiring to  
organize under the laws of the State of Florida, with its principal  
offices at 700 N.W. 107th Avenue, Miami, Florida 33172, has named MORRIS  
J. WATSKY, whose office is located at 700 N.W. 107th Avenue, Miami,  
Florida, as its agent to accept service of process within the State.

ACKNOWLEDGMENT

Having been named to accept service of process for the above stated  
corporation, at the place designated in this Certificate, I hereby  
accept to act in this capacity, and agree to comply with the provisions  
of said Act relative to keeping open said office.

M. J. Watsky  
MORRIS J. WATSKY

FILED  
JUN 28 PM 8 43  
SECRETARY OF STATE  
TALLAHASSEE, FLORIDA

OF

## ARBOR LAKES CONDOMINIUM NO. 2 ASSOCIATION, INC.

A Corporation not for profit organized  
under the laws of the State of Florida

1. Identity. These are the By-Laws of ARBOR LAKES CONDOMINIUM NO. 2 ASSOCIATION, INC. (the "Association"), a corporation not for profit, incorporated under the laws of the State of Florida and organized for the purpose of administering that certain condominium located in Lee County, Florida, and known as ARBOR LAKES CONDOMINIUM NO. 2, (the "Condominium").
  - \$1.1 Principal Office. The principal office of the Association shall be 700 N.W. 107th Avenue, Miami, Florida, 33172, or at such other place as may be subsequently designated by the Board of Directors. All books and records of the Association shall be kept at its principal office.
  - \$1.2 Fiscal Year. The fiscal year of the Association shall be the calendar year.
  - \$1.3 Seal. The seal of the Association shall bear the name of the corporation, the word "Florida", the words "Corporation Not for Profit", and the year of incorporation.
2. Definitions. For convenience, these By-Laws shall be referred to as the "By-Laws" and the Articles of Incorporation of the Association as the "Articles". The other terms used in these By-Laws shall have the same definition and meaning as those set forth in the Declaration for the Condominium, unless herein provided to the contrary, or unless the context otherwise requires.
3. Members.
  - \$3.1 Annual Meeting. The annual members' meeting shall be held on the date, at the place and at the time determined by the Board of Directors from time to time, provided that there shall be an annual meeting every calendar year and, to the extent possible, no later than thirteen (13) months after the last preceding annual meeting. The purpose of the meeting shall be, except as provided herein to the contrary, to elect Directors and to transact any other business authorized to be transacted by the members, or as stated in the notice of the meeting sent to Unit Owners in advance thereof.
  - \$3.2 Special Meetings. Special members' meetings shall be held at such places as provided herein for annual meetings, and may be called by the President or by a majority of the Board of Directors of the Association, and must be called by the President or Secretary upon receipt of a written request from a majority of the members of the Association. The business conducted at a special meeting shall be limited to that stated in the notice of the meeting. Additionally, special members' meetings may be called by ten (10%) percent of the Unit Owners to recall a member or members of the Board of Directors; which meetings shall be called and held in accordance with the terms and provisions of the Act.
  - \$3.3 Notice of Meeting; Waiver of Notice. Notice of a meeting of members stating the time and place and the purpose(s) for which the meeting is called shall be given by the President or Secretary. A copy of the notice shall be posted at a conspicuous place on the Condominium Property. The notice of the annual meeting

shall be sent by mail to each Unit Owner, unless the Unit Owner waives in writing the right to receive notice of the annual meeting by mail. The delivery or mailing shall be to the address of the member as it appears on the roster of members. The posting and mailing of the notice shall be effected not less than fourteen (14) nor more than sixty (60) days prior to the date of the meeting. Proof of posting shall be given by Affidavit, and proof of mailing of the notice shall be given by retention of post office receipts.

Notice of specific meetings may be waived before or after the meeting and the attendance of any member (or person authorized to vote for such member) shall constitute such member's waiver of notice of such meeting, except when his (or his authorized representative's) attendance is for the express purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called.

**§3.4 Quorum.** A quorum at members' meetings shall be attained by the presence, either in person or by proxy, of persons entitled to a majority of the votes of the entire membership. If any proposed meeting cannot be organized because a quorum has not been attained, (notwithstanding anything contained herein to the contrary) at such new meeting or meetings (if additional meetings are necessary in order to obtain the reduced quorum as hereinafter provided) the presence either in person or by proxy of persons entitled to cast  $33 \frac{1}{3}\%$  of the votes of the entire membership shall constitute a quorum at such new meeting or meetings; it being intended that in the event a majority quorum cannot be obtained at any meeting of the members, that the quorum requirements be reduced for the purposes of the new meeting or meetings to which the original meeting is adjourned only. At such new meeting or meetings, if necessary, at which a quorum exists any business may be transacted which might have been transacted at the meeting originally called.

**§3.5 Voting.**

(a) **Number of Votes.** Except when the vote is to be determined by a percentage of shares of ownership in the Condominium (as contemplated in specific portions of the Declaration), in any meeting of members, the Owners of Units shall be entitled to cast one vote for each Unit owned. The vote of a Unit shall not be divisible.

(b) **Majority Vote.** The acts approved by a majority of the votes present in person or by proxy at a meeting at which a quorum shall have been attained shall be binding upon all Unit Owners for all purposes except where otherwise provided by law, the Declaration, the Articles or these By-Laws. As used in these By-Laws, the Articles or the Declaration, the terms "majority of the Unit Owners" and "majority of the members" shall mean a majority of the votes of Unit Owners and not a majority of members themselves and shall further mean more than fifty (50%) percent of the then total authorized votes present in person or by proxy and voting at any meeting of the Unit Owners at which a quorum shall have been attained. Similarly, if some greater percentage of members is required herein or in the Declaration of Articles, it shall mean such greater percentage of the votes of members and not of the members themselves.

(c) **Voting Member.** If a Unit is owned by one person, his right to vote shall be established by the roster of members. If a Unit is owned by more than one person, the person entitled to cast the vote for the Unit shall be designated by a certificate signed by all of the record owners of the Unit according to the roster of Unit Owners and filed with the Secretary of the Association. Such person need not be a Unit

Owner, nor one of the joint owners. If a Unit is owned by a corporation, the person entitled to cast the vote for the Unit shall be designed by a certificate signed by an appropriate officer of the corporation and filed with the Secretary of the Association. Such person need not be a Unit Owner. Those certificates shall be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the Unit concerned. A certificate designating the person entitled to cast the vote for a Unit may be revoked if by a record owner of an undivided interest in the Unit. If a certificate designating the person entitled to cast the vote for a Unit for which such certificate is required is not on file or has been revoked, the vote of the Owner(s) of such Unit shall not be considered in determining whether a quorum is present, nor for any other purpose, and the total number of authorized votes in the Association shall be reduced accordingly until such certificate is filed, except if the Unit is owned jointly by a husband and wife, they may, without being required to do so, designate a voting member in the manner provided above. Such designee need not be a Unit Owner. In the event a husband and wife do not designate a voting member, the following provisions shall apply:

- (i) If both are present at a meeting and are unable to concur in their decision upon any subject requiring a vote, they shall lose their right to vote on that subject at that meeting, and their vote shall not be considered in determining whether a quorum is present on that subject at the meeting (and the total number of authorized votes in the Association shall be reduced accordingly for such subject only).
- (ii) If only one is present at a meeting, the person present shall be counted for purposes of a quorum and may cast the Unit vote just as though he or she owned the Unit individually, and without establishing the concurrence of the absent person.
- (iii) If both are present at a meeting and concur, either one may cast the Unit vote.

**§3.6 Proxies.** Votes may be cast in person or by proxy. A proxy may be made by any person entitled to vote, but shall only be valid for the specific meeting for which originally given and any lawful adjourned meetings thereof. In no event shall any proxy be valid for a period longer than ninety (90) days after the date of the first meeting for which it was given. Every proxy shall be revocable at any time at the pleasure of the person executing it. A proxy must be in writing, signed by the person authorized to cast the vote for the Unit (as above described), specify the date, time and place of the meeting for which it is given and be filed with the Secretary before the appointed time of the meeting, or before the time to which the meeting is adjourned. Holders of proxies need not be Unit Owners.

**§3.7 Adjourned Meetings.** If any proposed meeting cannot be organized because a quorum has not been attained, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a reduced quorum as provided in §3.4 hereof is present, provided notice of the newly scheduled meeting is given in the manner required for the giving of notice of a meeting. The notice of the newly scheduled meeting shall provide for among other things, that the quorum requirement has been reduced; and that a quorum shall be attained by the presence either in person or by proxy of persons entitled to cast 33-1/3% of the votes of the entire membership. Proxies given for the adjourned meeting shall be valid for the newly scheduled meeting unless revoked for reasons other than the new date of the meeting.



§3.8 Order of Business. If a quorum has been attained, the order of business at annual members' meetings, and, if applicable, at other members' meetings, shall be:

- (a) Call to order by President;
- (b) Appointment by the President of a chairman of the meeting (who need not be a member or a director);
- (c) Proof of notice of the meeting or waiver of notice;
- (d) Reading of minutes;
- (e) Reports of officers;
- (f) Reports of committees;
- (g) Appointment of inspectors of election;
- (h) Determination of number of Directors;
- (i) Election of Directors;
- (j) Unfinished business;
- (k) New business;
- (l) Adjournment.

Such order may be waived in whole or in part by direction of the chairman.

§3.9 Minutes of Meeting. The minutes of all meetings of Unit Owners shall be kept in a book available for inspection by Unit Owners or their authorized representatives and Board members at any reasonable time. The Association shall retain these minutes for a period of not less than seven (7) years.

§3.10 Action Without a Meeting. Anything to the contrary herein notwithstanding, to the extent lawful, any action required to be taken at any annual or special meeting of members, or any action which may be taken at any annual or special meeting of such members, may be taken without a meeting, without prior notice and without a vote if a consent in writing, setting forth the action so taken shall be signed by the members (or persons authorized to cast the vote of any such member as elsewhere herein set forth) having not less than the minimum number of votes that would be necessary to attain a quorum, or, with respect to certain matters where a higher percentage of members are required, such number of votes that would be necessary to approve such matters. Within ten (10) days after obtaining such authorization by written consent, notice must be given to members who have not consented in writing. The notice shall fairly summarize the material features of the authorized action.

#### 4. Directors.

§4.1 Membership. The affairs of the Association shall be governed by a Board of not less than three (3) nor more than nine (9) directors, the exact number to be determined in the first instance in the Articles and thereafter, except as provided herein, from time to time, upon majority vote of the membership. Directors need not be Unit Owners.

§4.2 Election of Directors. The election of Directors shall be conducted in the following manner:

- (a) Election of Directors shall be held at the annual members' meeting, except as provided herein to the contrary.

- (b) Nominations for Directors and additional directorships created at the meeting shall be made from the floor.
- (c) The election shall be by written ballot (unless dispensed with by majority consent of the Units represented at the meeting) and by a plurality of the votes cast, each person voting shall be entitled to cast his votes for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting.

§4.3 Vacancies and Removal.

- (a) Except as to vacancies resulting from removal of Directors by members, vacancies in the Board of Directors occurring between annual meetings of members shall be filled by the remaining Directors, provided that all vacancies in directorships to which Directors were appointed by the Developer pursuant to the provisions of §4.17 hereof shall be filled by the Developer without the necessity of any meeting.
- (b) Any Director elected by the Unit Owners (other than the Developer) may be removed by concurrence of a majority of the votes of all of the Unit Owners at a special meeting of Unit Owners called for that purpose. The vacancy in the Board of Directors so created shall be filled by Unit Owners at the same meeting.
- (c) Provided, however, that until a majority of the Directors are elected by the members other than the Developer of the Condominium neither the first Directors replacing them nor any Directors named by the Developer shall be subject to removal by members other than the Developer. The first Directors and Directors replacing them may be removed and replaced by the Developer without the necessity of any meeting.

§4.4 Term. Except as provided herein to the contrary, the term of each Director's service shall extend until the next annual meeting of the members and subsequently until his successor is duly elected and qualified, or until he is removed in the manner elsewhere provided.

§4.5 Organizational Meeting. The organizational meeting of newly-elected or appointed members of the Board of Directors shall be held within ten (10) days of their election or appointment at such place and time as shall be fixed by the Directors at the meeting at which they were elected or appointed, and no further notice to the Board of the organizational meeting shall be necessary.

§4.6 Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors. Notice of regular meetings shall be given to each Director, personally or by mail, telephone or telegraph, and shall be transmitted at least three (3) days prior to the meeting. Regular meetings of the Board of Directors shall be open to all Unit Owners and notice of such meetings shall be posted conspicuously on the Condominium Property at least forty-eight (48) hours in advance for the attention of the members of the Association, except in the event of an emergency, provided that Unit Owners shall not be permitted to participate and need not be recognized at any such meeting.

§4.7 Special Meetings. Special meetings of the Directors may be called by the President and must be called by the President or Secretary at the written request of one-third (1/3) of the Directors. Notice of the meeting shall be given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting and shall be transmitted not less than

three (3) days prior to the meeting. Special meetings of the Board of Directors shall be open to all Unit Owners and notice of a special meeting shall be posted conspicuously on the Condominium Property at least forty-eight (48) hours in advance for the attention of the members of the Association, except in the event of an emergency, provided that Unit Owners shall not be permitted to participate and need not be recognized at any such meeting.

**\$4.8 Waiver of Notice.** Any Director may waive notice of a meeting before or after the meeting and that waiver shall be deemed equivalent to be due receipt by said Director of notice. Attendance by any Director at a meeting shall constitute a waiver of notice of such meeting, except when his attendance is for the express purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called.

**\$4.9 Quorum.** A quorum at Directors' meetings shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors except when approval by a greater number of Directors is specifically required by the Declaration, the Articles or these By-Laws.

**\$4.10 Adjourned Meetings.** If at any proposed meeting of the Board of Directors there is less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present, provided notice of such newly scheduled meeting is given as required hereunder. At any newly scheduled meeting, any business that might have been transacted at the meeting as originally called may be transacted without further notice.

**\$4.11 Joinder in Meeting by Approval of Minutes.** The joinder of a Director in the action of a meeting by signing and concurring in the minutes of that meeting shall constitute the approval of that Director of the business conducted at the meeting.

**\$4.12 Presiding Officer.** The presiding officer at the Directors' meetings shall be the President (who may, however, designate any other person to preside). In the absence of the presiding officer, the Directors present may designate any person to preside.

**\$4.13 Order of Business.** If a quorum has been attained, the order of business at Director's meetings shall be:

- (a) Proof of due notice of meeting;
- (b) Reading and disposal of any unapproved minutes;
- (c) Reports of officers and committees;
- (d) Election of officers;
- (e) Unfinished business;
- (f) New business;
- (g) Adjournment.

Such order may be waived in whole or in part by direction of the presiding officer.

**\$4.14 Minutes of Meetings.** The minutes of all meetings of the Board of Directors shall be kept in a book available for inspection by Unit Owners, or their authorized representatives, and Board members at any reasonable time. The Association shall retain these minutes for a period of not less than seven (7) years.

**\$4.15 Action Without a Meeting.** Anything to the contrary herein notwithstanding, and to the extent lawful, any action required to be taken at a meeting of the Directors, or any action which may be taken at a meeting of Directors or a committee thereof, may be taken without a meeting if a consent in writing setting forth the action so to be taken signed by all of the Directors or all the members of the committee, as the case may be, is filed in the minutes of the proceedings of the Board or of the committee. Such consent shall have the same effect as a unanimous vote. No prior notice of such intended action shall be required to be given to the Directors or to the Unit Owners. Notice of the taking of such action pursuant hereto shall, however, be posted conspicuously on the Condominium Property for the attention of Owners after such action shall have been effected. Such notice shall fairly summarize the material features of the action so taken.

**\$4.16 Executive Committee; Other Committees.** The Board of Directors may, by resolution duly adopted, appoint an Executive Committee to consist of three (3) or more members of the Board of Directors. Such Executive Committee shall have and may exercise all of the powers of the Board of Directors in management of the business and affairs of the Condominium during the period between the meetings of the Board of Directors insofar as may be permitted by law, except that the Executive Committee shall not have power (a) to determine the Common Expenses required for the affairs of the Condominium, (b) to determine the Assessments payable by the Unit Owners to meet the Common Expenses of the Condominium, (c) to adopt or amend any rules and regulations covering the details of the operation and use of the Condominium Property, or (d) to exercise any of the powers set forth in paragraph (g) and (p) of Section 5 below.

The Board may, by resolution, also create other committees and appoint persons to such committees and invest in such committees such powers and responsibilities as the Board shall deem advisable.

**\$4.17 Proviso.** Notwithstanding anything to the contrary contained in this Section 4 otherwise, the Board shall consist of three (3) directors during the period that the Developer is entitled to appoint a majority of the directors, as hereinafter provided. The Developer shall have the right to appoint all of the members of the Board of Directors until Unit Owners other than the Developer own fifteen (15%) percent or more of the Units that will be operated ultimately by the Association, the Unit Owner other than the Developer shall be entitled to elect not less than one-third (1/3) of the members of the Board of Directors. Unit Owners other than the Developer are entitled to elect not less than a majority of the members of the Board of Directors (a) three (3) years after fifty (50%) percent of the Units that will be operated ultimately by the Association have been conveyed to Purchasers, (b) three (3) months after ninety (90%) percent of the Units that will be operated ultimately by the Association have been conveyed to Purchasers, (c) when all of the Units that will be operated ultimately by the Association have been completed, some of them have been conveyed to purchasers and none of the others are being offered for sale by the Developer in the ordinary course of business, (d) when some of the Units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the Developer in the ordinary course of business, (e) or five (5) years after closing of title to the first Unit that will be operated ultimately by the Association, whichever occurs first. The Developer is entitled (but not obligated) to elect at least one (1) member of the Board of Directors as long as the Developer holds for sale in the ordinary course of business five (5%) percent of the Units that will be operated ultimately by the Association.

The Developer may turn over control of the Association to Unit Owners other than the Developer prior to such dates in its sole discretion by causing all of its appointed Directors to resign, whereupon it shall the affirmative obligation of Unit Owners other than the Developer to elect Directors and assume control of the Association. Provided at least thirty (30) days' notice of Developer's decision to cause its appointees to resign is given to Unit Owners, neither the Developer nor such appointees shall be liable in any manner in connection with such resignations even if the Unit Owners other than the Developer refuse or fail to assume control.

Within sixty (60) days after the Unit Owners other than the Developer are entitled to elect a member or members of the Board of Directors, or if the Developer has elected to accelerate such events aforesaid, the Association shall call, and give not less than thirty (30) days' nor more than forty (40) days' notice of a meeting of the Unit Owners to elect such member or members of the Board of Directors. The meeting may be called and the notice given by any Unit Owner if the Association fails to do so.

Within a reasonable time after Unit Owners other than the Developer elect a majority of the members of the Board of Directors of the Association (but not more than sixty (60) days after such event), Developer shall relinquish control of the Association and shall deliver to the Association all property of the Unit Owners and of the Association held by or controlled by the Developer, including but not limited to the following items, if applicable:

- (a) The original or a photo copy of the recorded Declaration of Condominium and all amendments thereto. If a photo copy is provided, the Developer must certify by affidavit that it is a complete copy of the actual recorded Declaration;
- (b) A certified copy of the Articles of Incorporation for the Association;
- (c) A copy of the By-Laws of the Association;
- (d) The Minute Books, including all minutes, and other books and records of the Association;
- (e) Any rules and regulations which have been adopted;
- (f) Resignations of resigning officers and Board members who were appointed by the Developer;
- (g) The financial records, including financial statements of the Association, and source documents since the incorporation of the Association through the date Developer relinquishes control of the Association. The records shall be reviewed by an independent certified public accountant. The minimum report required shall be a review in accordance with generally accepted accounting standards as defined by rule by the Board of Accounting. The accountant performing the review shall examine to the extent necessary supporting documents and records, including the cash disbursements and related paid invoices to determine if expenditures were for Association purposes, and billings, cash receipts and related records to determine that the Developer was charged and paid the proper amounts of assessments.
- (h) Association Funds or the control thereof;
- (i) All tangible personal property that is the property of the Association or is or was represented by the Developer to be part of the Common Elements or is ostensibly part of the Common Elements, and an inventory of such property;

*Original Declaration  
to be filed in  
the office of the  
Recorder of Deeds  
in the District of  
Columbia  
in the Minute Book*

- (j) A copy of the plans and specifications utilized in the construction or remodeling of Improvements and the supplying of equipment, and for the construction and installation of all mechanical components servicing the Improvements and the Condominium Property, with a Certificate, in affidavit form, of an officer of the Developer or an architect or engineer authorized to practice in Florida, that such plans and specifications represent, to the best of their knowledge and belief, the actual plans and specifications utilized in the construction and improvement of the Condominium Property and the construction and installation of the mechanical components servicing the Improvements and the Condominium Property;
  - (k) Insurance policies;
  - (l) Copies of any Certificates of Occupancy which may have been issued for the Condominium Property;
  - (m) Any other permits issued by governmental bodies applicable to the Condominium Property in force or issued within one (1) year prior to the date the Unit Owners take control of the Association;
  - (n) All written warranties of contractors, subcontractors, supplies and manufacturers, if any, that are still effective;
  - (o) A roster of Unit Owners and their addresses and telephone numbers, if known, as shown on the Developer's records;
  - (p) Leases of the Common Elements and other Leases to which the Association is a party, if applicable;
  - (q) Employment contracts or service contracts in which the Association is one of the contracting parties, or service contracts in which the Association or Unit Owners have an obligation or responsibility, directly or indirectly, to pay some or all of the fee or charge of the person or persons performing the service; and
  - (r) All other contracts to which the Association is a party.
5. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Condominium and may take all acts, through the proper officers of the Association, in executing such powers, except such acts which by law, the Declaration, the Articles or these By-Laws may not be delegated to the Board of Directors by the Unit Owners. Such powers and duties of the Board of Directors shall include, without limitation (except as limited elsewhere herein) the following:
- (a) Operating and maintaining the Common Elements.
  - (b) Determining the expenses required for the operation of the Condominium and the Association.
  - (c) Collecting the Assessments from Unit Owners.
  - (d) Employing and dismissing the personnel necessary for the maintenance and operation of the Common Elements.
  - (e) Adopting and amending rules and regulations concerning the details of the operation and use of the Condominium Property, subject to a right of the Unit Owners to overrule the Board as provided in Section 13 hereof.
  - (f) Maintaining bank accounts on behalf of the Association and designating the signatories required therefor.

- (g) Purchasing, leasing or otherwise acquiring Units or other property in the name of the Association or its designee.
- (h) Purchasing Units at foreclosure or other judicial sales, in the name of the Association or its designee.
- (i) Selling, leasing, mortgaging or otherwise dealing with Units acquired by, and subleasing Units leased by, the Association or its designee.
- (j) Organizing corporations and appointing persons to act as designees of the Association in acquiring title to or leasing Units or other property.
- (k) Obtaining and reviewing insurance for the Condominium Property.
- (l) Making repairs, additions and improvements to, or alterations of, the Condominium Property, and repairs to and restoration of the Condominium Property in accordance with the provisions of the Declaration after damage or destruction by fire or other casualty or as a result of condemnation or eminent domain proceedings or otherwise.
- (m) Enforcing obligations of the Unit Owners, allocating profits and expenses and taking such other actions as shall be deemed necessary and proper to the sound management of the Condominium.
- (n) Levying fines against appropriate Unit owners for violations of the rules and regulations established by the Association to govern the conduct of such Unit Owners.
- (o) Purchasing or leasing Units for use by resident superintendents.
- (p) Borrowing money on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of the Common Elements or the acquisition of property, and granting mortgages on and/or security interest in Association property; provided, however, that the consent of the Owners of at least two-thirds (2/3) of the Units represented at a meeting at which a quorum has been attained in accordance with the provisions of these By-Laws shall be required for the borrowing of any sum in excess of \$20,000.00. If any sum borrowed by the Board of Directors on behalf of the Condominium pursuant to the authority contained in this subparagraph (p) is not repaid by the Association, a Unit Owner who pays to the creditor such portion thereof as his interest in his Common Elements bears to the interest of all the Unit Owners in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor shall have filed or shall have the right to file or which will affect such Unit Owner's Unit.
- (q) Contracting for the management and maintenance of the Condominium Property and authorizing a management agent (which may be an affiliate of the Developer) to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of Assessments, preparation of records, reenforcement of rules and maintenance, repair and replacement of the Common Elements with funds as shall be made available by the Association for such purposes. The Association and its officers shall, however, retain at all times the powers and duties granted by the Condominium documents and the Condominium Act, including but not limited to the making of Assessments, promulgation of rules and execution of contracts on behalf of the Association.
- (r) At its discretion, authorizing Unit Owners or other persons to use portions of the Common Elements for private parties and gatherings and imposing reasonable charges for such private use.

- (s) Exercising (i) all powers specifically set forth in the Declaration, the Articles, these By-Laws, and in the Florida Condominium Act, and (ii) all powers incidental thereto, and all other powers a Florida corporation not for profit.
- (t) Suspending the right of any Unit Owner to use the recreation facilities upon the property owned by the Property Owners Association so long as said Unit Owner is in violation of the Declaration or any exhibits thereto or in arrears of any Assessments due the Association or Property Owners Association or applicable rules and regulations.
- (u) At its discretion, initiating or authorizing voluntary binding arbitration of internal disputes arising from the operation of the Condominium among Unit Owners, the Association, their agents and assigns in accordance with the rules of procedure promulgated by the Department of Business Regulation.
- (v) The Association shall give Institutional First Mortgagees of record, VA, FHA, GNMA, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, and/or other; institutional lenders notice (c/o their respective servicers at the servicer's address) in writing of any loss to, or taking of the Common Elements of the Condominium if any such loss exceeds \$10,000.00; or damage to a Unit exceeding \$1,000.00 covered by a mortgage purchased in whole or in part by any Institutional First Mortgagee(s) or any other institutional lender.

6. Officers.

§6.1 Executive Officers. The executive officers of the Association shall be a President, who shall be a Director, a Vice President, who shall be a Director, a Treasurer, a Secretary and an Assistant Secretary (none of whom need be Directors), all of whom shall be elected by the Board of Directors and who may be preemptorily removed at any meeting by concurrence of a majority of all of the Directors. A person may hold more than one office, except that the President may not also be the Secretary or Assistant Secretary. No person shall sign an instrument or perform an act in the capacity of more than one office. The board of Directors from time to time shall elect such other officers and designate their powers and duties as the Board shall deem necessary or appropriate to manage the affairs of the Association. Officers need not be Unit Owners.

§6.2 President. The President shall be the chief executive officer of the Association. He shall have all of the powers and duties that are usually vested in the office of president of an association.

§6.3 Vice President. The Vice President shall exercise the powers and perform the duties of the President in the absence or disability of the President. He also shall assist the President and exercise such other powers and perform such other duties as are incident to the office of an association and as shall otherwise be prescribed by the Directors.

§6.4 Secretary. The Secretary shall keep the minutes of all proceedings of the Directors and the members. He shall attend to the giving of all notices to the members and Directors and other notices required by law. He shall have custody of the seal of the Association and shall affix it to instruments requiring the seal when duly signed. He shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of the secretary of an association and as may be required by the Directors or the President.



**\$6.5 Assistant Secretary.** The Assistant Secretary shall exercise the powers and perform the duties of the Secretary in the absence or disability of the Secretary.

**\$6.6 Treasurer.** The Treasurer shall have custody of all property of the Association, including funds, securities and evidences of indebtedness. He shall keep books of account for the Association in accordance with good accounting practices, which together with substantiating papers, shall be made available to the Board of Directors for examination at reasonable times. He shall submit a treasurer's report to the Board of Directors at reasonable intervals and shall perform all other duties incident to the office of treasurer. All monies and other valuable effects shall be kept for the benefit of the Association in such depositories as may be designated by a majority of the Board of Directors.

7. **Compensation.** Neither Directors nor officers shall receive compensation for their services as such, but this provision shall not preclude the Board of Directors from employing a Director or officer as an employee of the Association, nor preclude contracting with a Director or officer for the management of the Condominium or for any other service to be supplied by such Director or officer. Directors and officers shall be compensated for all actual and proper out of pocket expenses relating to the proper discharge of their respective duties.

8. **Resignations.** Any Director or officer may resign his post at any time by written resignation, delivered to the President or Secretary, which shall take effect upon its receipt unless a later date is specified in the resignation, in which event the resignation shall be effective from such date unless withdrawn. The acceptance of a resignation shall not be required to make it effective.

9. **Fiscal Management.** The provisions for fiscal management of the Association set forth in the Declaration and Articles shall be supplemented by the following provisions:

**\$9.1 Budget.**

(a) **Adoption by Board; Items.** The Board of Directors shall from time to time, and at least annually, prepare a budget for the Condominium (which shall detail all accounts and items of expenses and contain at least all items set forth in Section 718.504(20) of the Act, if applicable), determine the amount of Assessments payable by the Unit Owners and allocate and assess expenses among the Unit Owners in accordance with the provisions hereof and of the Declaration. In addition to annual operating expenses, the budget shall include reserve accounts for capital expenditures and deferred maintenance. These accounts shall include, but not be limited to, roof replacement, building painting and pavement resurfacing. The amount of reserves shall be computed by means of a formula which is based upon estimated life and estimated replacement cost of each reserve item. Reserves shall not be required if the members of the Association have, by a majority vote at a duly called meeting of members, determined for a specific fiscal year to provide no reserves or reserves less adequate than required hereby.

(i) **Notice of Meeting.** A copy of the proposed budget of Common Expenses shall be mailed to each Unit Owner not less than thirty (30) days prior to the meeting of the Board of Directors at which the budget will be considered, together with a notice of that meeting indicating the time and place of such meetings. The meeting shall be open to such Unit Owners, provided that such Unit Owners shall not have the right to participate and need not be recognized at such meeting.

- (ii) Special Membership Meeting. If a budget is adopted by the Board of Directors which requires Assessments against such Unit Owners in any year exceeding one hundred fifteen (115%) percent of such Assessments for the preceding year, as hereinafter defined, upon written application of ten (10%) percent of such Unit Owners, a special meeting of Unit Owners shall be held within thirty (30) days or delivery of such application to the Board of Directors. Each Unit Owner shall be given at least ten (10) days' notice of said meeting. At the special meeting, Unit Owners shall consider and adopt a budget. The adoption of said budget shall require a vote of Owners of not less than a majority of all the Units (including Units owned by the Developer).
- (iii) Determination of Budget Amount. In determining whether a budget requires Assessments against Unit Owners in any year exceeding one hundred fifteen (115%) percent of Assessments for the preceding year, there shall be excluded in the computations any authorized provisions for reasonable reserves made by the Board of Directors in respect of repair or replacement of the Condominium Property or in respect of anticipated expenses of the Association which are not anticipated to be incurred on a regular or annual basis, and there shall be excluded from such computation Assessments for improvements to the Condominium Property and expenses which are unique to specific Unit Owners.
- (iv) Proviso. As long as the Developer is in control of the Board of Directors of the Association, such Board shall not impose an Assessment for a year greater than one hundred fifteen (115%) percent of the prior year's Assessment, as herein defined, without the approval of Unit Owners owning a majority of the Units (including Units owned by the Developer).
- (b) Adoption by Membership. In the event that the Board of Directors shall be unable to adopt a budget in accordance with the requirements of subsection 9.1(a) above, the Board of Directors may call a special meeting of Unit Owners for the purpose of considering and adopting such budget, which meeting shall be called and held in the manner provided for such special meetings in said subsection, or propose a budget in writing to the members, and if such budget is adopted by such members, upon ratification by a majority of the Board of Directors, it shall become the budget for such year.

**§9.2 Assessments.** Assessments against the Unit Owners for their share of the items of the budget shall be made for the applicable calendar year annually in advance on or before December 20th preceding the year for which the Assessments are made. Such Assessments shall be due in equal installments, payable in advance on the first day of each month (or each quarter at the election of the Board) of the year for which the Assessments are made. If an annual Assessment is not made as required, an Assessment shall be presumed to have been made in the amount of the last prior Assessment, and monthly (or quarterly) installments on such Assessment shall be due upon each installment payment date until changed by an amended Assessment. In the event the annual Assessment proves to be insufficient, the budget and Assessments may be amended at any time by the Board of Directors. Unpaid Assessments for the remaining portion of the calendar year for which an amended Assessment is made shall be payable in as many equal installments as there are full months (or quarters) of the calendar year left as of the date of such amended Assessment, each such monthly (or quarterly) installment to be paid on the first day of the month (or quarter), commencing the first day of the next ensuing month (or quarter). If only a partial month (or quarter) remains, the

amended Assessment shall be paid with the next regular installment in the following year, unless otherwise directed by the Board in its resolution.

**§9.3 Assessments for Charges.** Charges by the Association against members for other than Common Expenses shall be payable in advance. These charges may be collected by Assessment in the same manner as Common Expenses and when circumstances permit, charges shall be added to the Assessments for Common Expenses. Charges for other than Common Expenses may be made only after approval of a member or when expressly provided for in the Declaration or the exhibits annexed thereto, as the same may be amended from time to time, which charges may include, without limitation, charges for the use of the Condominium Property or recreation areas, maintenance services furnished at the expense of an Owner, other services furnished for the benefit of an Owner and surcharges, fines and damages and other sums due from such Owner.

**§9.4 Assessments for Emergencies.** Assessments for Common Expenses for emergencies that cannot be paid from the annual Assessments for Common Expenses shall be due only after ten (10) days' notice is given to the Unit Owners concerned, and shall be paid in such manner as the Board of Directors of the Association may require in the notice of Assessment.

**§9.5 Depository.** The depository of the Association shall be such bank or banks in the County as shall be designated from time to time by the Directors and in which the monies of the Association shall be deposited. Withdrawal of monies from these accounts shall be made only by checks signed by such person or persons as are authorized by the Directors. All sums collected by the Association from Assessments or contributions to working capital or otherwise may be co-mingled in a single fund or divided into more than one fund, as determined by a majority of the Board of Directors.

**§9.6 Acceleration of Assessment Installments Upon Default.** If a Unit Owner shall be in default in the payment of an installment upon an Assessment, the Board of Directors may accelerate the remaining installments of the Assessments upon notice to the Unit Owner and the then unpaid balance of the Assessment shall be due upon the date stated in the notice, but not less than five (5) days after delivery of the notice to the Unit Owner, or not less than ten (10) days after the mailing of such notice to him by registered or certified mail, whichever shall first occur.

**§9.7 Fidelity Bonds.** To the extent required by law, fidelity bonds in the principal sum of not less than \$10,000.00, for any officer or director shall be required by the Board of Directors for such officers who control or disburse Association's funds. The premiums on such bonds shall be paid by the Association as a Common Expense.

**§9.8 Accounting Records and Reports.** The Association shall maintain accounting records in the County, according to good accounting practices. The records shall be open to inspection by Unit Owners or their authorized representatives at reasonable times and written summaries of them shall be supplied at least annually. The records shall include, but not be limited to, (a) a record of all receipts and expenditures, and (b) an account for each Unit designating the name and current mailing address of the Unit Owner, the amount of each Assessment, the dates and amounts in which the Assessments come due, the amount paid upon the account and the dates so paid and the balance due. Written summaries of the records described in clause (a) above, in the form and manner specified below, shall be supplied to each Unit Owner annually.

Within sixty (60) days following the end of the fiscal year, the Board shall mail, or furnish by personal delivery, to each Unit

Owner a complete financial report of actual receipts and expenditures for the previous twelve (12) months. The report shall show the amounts of receipts by accounts and receipt classifications and shall show the amounts of expenses by accounts and expense classifications, including, if applicable, but not limited to, the following:

- (a) Cost for Security;
- (b) Professional and management fees and expenses;
- (c) Taxes;
- (d) Cost for recreation facilities;
- (e) Expenses for refuse collection and utility services;
- (f) Expenses for lawn care;
- (g) Cost for building maintenance and repair;
- (h) Insurance costs;
- (i) Administrative and salary expenses; and
- (j) General reserves, maintenance reserves and depreciation reserves.

§9.9 Application of Payment. All Assessment payments made by a Unit Owner shall be applied as provided herein and in the Declaration or as determined by the Board.

§9.10 Notice of Meetings. Notice of any meeting where Assessments against Unit Owners are to be considered for any reason shall specifically contain a statement that Assessments will be considered and the nature of any such Assessments.

§9.11 Limitation on Developer's Liability for Assessments. The Developer shall not be liable for the payment of any Assessments applicable to the Units it owns which relate in any way to the payment of legal or other fees to persons or entities engaged by the Association for the purpose of suing, or making, preparing or investigating possible claims against the Developer.

10. Roster of Unit Owners. Each Unit Owner shall file with the Association a copy of the deed or other document showing his ownership. The Association shall maintain such information. The Association may rely upon the accuracy of such information for all purposes until notified in writing of changes therein as provided above. Only Unit owners of record on the date notice of any meeting requiring their vote is given shall be entitled to notice of and to vote at such meeting, unless prior to such meeting other Owners shall produce adequate evidence, as provided above, of their interest and shall waive in writing notice of such meeting.

11. Parliamentary Rules. Roberts' Rules of Order (latest edition) shall govern the conduct of the Association meetings when not in conflict with the Declaration, the Articles or these By-Laws.

12. Amendments. Except as in the Declaration provided otherwise, these By-Laws may be amended in the following manner:

§12.1 Notice. Notice of the subject matter of a proposed amendment shall be included in the notice of a meeting at which a proposed amendment is to be considered.

§12.2 Adoption. A resolution for the adoption of a proposed amendment may be proposed either by a majority of the Board of Directors or by not less than one-third (1/3) of the members of the

Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, provided that such approval is delivered to the Secretary at or prior to the meeting. The approval must be:

- (a) by not less than a majority of the votes of all members of the Association represented at a meeting at which a quorum has been attained and by not less than 66-2/3% of the entire Board of Directors; or
- (b) by not less than eighty (80%) percent of the votes of the members of the Association represented at a meeting at which a quorum has been attained; or
- (c) by not less than one hundred (100%) percent of the entire Board of Directors.

§12.3 Proviso. No amendment may be adopted which would eliminate, modify, prejudice, abridge or otherwise adversely affect any rights, benefits, privileges or priorities granted or reserved to the Developer or mortgagees of the Units without the consent of said Developer and mortgagees in each instance. No amendment shall be made that is in conflict with the Articles or Declaration.

§12.4 Execution and Recording. A copy of each amendment shall be attached to a Certificate certifying that the amendment was duly adopted as an amendment of the Declaration and By-Laws, which certificate shall be executed by the President or Vice President and attested by the Secretary or Assistant Secretary of the Association with the formalities of a deed, or by the Developer alone if the amendment has been adopted consistent with the provisions of the Declaration allowing such action by the Developer. The amendment shall be effective when the certificate and a copy of the amendment is recorded in the Public Records of the County.

§12.5 Procedure. The By-Laws shall not be revised or amended by reference to its title or number only. Proposals to amend the By-Laws shall contain the full text of the By-Laws to be amended; new words shall be inserted in the text underlined and words to be deleted shall be lined through with hyphens. However, if the proposed change is so extensive that this procedure would hinder rather than assist the understanding of the proposed amendment, underlining and hyphens as indicative of words added or deleted shall not be used, but instead a notation shall be inserted immediately preceding the proposed amendment in substantially the following language: "Substantial rewording of by law. See by law....for present text." Nonmaterial errors or omissions in the by law process shall not invalidate an otherwise properly promulgated amendment.

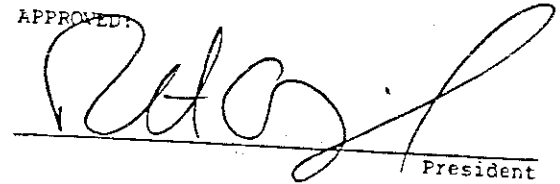
13. Rules and Regulations. Annexed hereto as Schedule A and made a part hereof are rules and regulations concerning the use of portions of the Condominium. The Board of Directors may, from time to time, modify, amend or add to such rules and regulations, except that subsequent to the date control of the Board is turned over by the Developer to Unit Owners other than the Developer, Owners of a majority of the Units represented at a meeting at which a quorum is present may overrule the Board with respect to any such modifications, amendments or additions. Copies of such modified, amended or additional rules and regulations shall be furnished by the Board of Directors to each affected Unit Owner not less than thirty (30) days prior to the effective date thereof. At no time may any rule or regulation be adopted which would prejudice the rights reserved to the Developer.

14. Construction. Wherever the context so permits, the singular shall include the plural, the plural shall include the singular, and the use of any gender shall be deemed to include all genders.

15. Captions. The captions herein are inserted only as a matter of convenience and for reference and in no way define or limit the scope of these By-Laws of the intent of any provision hereof.

The foregoing was adopted as the By-Laws of ARBOR LAKES CONDOMINIUM NO. 2 ASSOCIATION, INC., a corporation not for profit under the laws of the State of Florida, on the 25th day of January, 1985.

APPROVED:



President

**ARBOR LAKE II CONDOMINIUM ASSOCIATION, INC.**  
**RULES AND REGULATIONS**  
**SCHEDULE A TO BY-LAWS**

1. The sidewalks, entrances, and like portions of the Common Elements shall not be obstructed nor used for any purpose other than for ingress and egress to and from the condominium property; not shall any carts, bicycles, carriages, chairs, tables or any other similar objects be stored therein.
2. The personal property of Unit Owners must be stored in their respective Units or in storage areas.
3. No garbage cans, supplies, milk bottles or other articles shall be placed on the balconies or other Common Elements. No linens, cloths, clothing, curtains, rugs, mops, or laundry of any kind, or other articles, shall be shaken or hung from any of the windows, doors, fences, balconies, terraces or other portions of the Condominium Property.
4. No Unit owner shall permit anything to fall from a window or door of the Condominium Property, nor sweep or throw from the Condominium Property any dirt or other substance into any of the balconies or upon the Common Elements.
5. All refuse must be deposited with all other refuse in areas designated for such purpose by the Developer.
6. Parking areas are solely for non-commercial automobiles with a current passenger vehicle registration.
7. Employees of the Association are not to be sent out by Unit Owners for personal errands. The Board of Directors shall be solely responsible for directing and supervising employees of the Association.
8. No vehicle which cannot operate on its own power shall remain on the Condominium Property for more than twenty-four (24) hours, and no repair of vehicles shall be made on the Condominium Property.
9. No Unit Owner shall make or permit any disturbing noises in his Unit by himself or his family, servants, employees, agents, visitors or licensees, no permit any conduct by such persons that will interfere with the rights, comforts or conveniences of other Unit Owners. No Unit Owner shall play or permit to be played any musical instrument, nor operate or permit to be operated a phonograph, television, radio or sound amplifier in his Unit in such a manner as to disturb or annoy other residents. No Unit owner shall conduct, nor permit to be

conducted, vocal or instrumental instruction at any time which disturbs other residents.

10. No radio or television installation may be permitted in any Unit which interferes with the television or radio reception of another Unit.
11. No sign, advertisement, notice or other lettering shall be exhibited, displayed, inscribed, painted or affixed in, on or upon any part of the condominium property, except signs used or approved by the Developer. Additionally, no awning, canopy, shutter or other projection shall be attached to or placed upon the outside walls or roof of the Building or on the Common Elements.
12. The Association may retain a pass key to all Units. No Unit Owner shall alter any lock nor install a new lock without the prior written consent of the Board of Directors. Where such consent is given, the Unit Owner shall provide the Association with an additional key.
13. Barbecuing shall be permitted only in designated areas.
14. No flammable, combustible or explosive fluids, chemicals or substances shall be kept in any Unit or on the Common Elements, except for use in barbecuing.
15. A Unit Owner who plans to be absent during the hurricane season must prepare his Unit prior to his departure by designating a responsible firm or individual to care for his Unit should the Unit suffer hurricane damage, and furnishing the Association with the name(s) of such firm or individual. Such firm or individual shall be subject to the approval of the Association.
16. Food and beverages may not be consumed outside a Unit except in designated areas.
17. A Unit Owner shall not cause anything to be affixed or attached to, hung, displayed or placed on the exterior walls, doors, balconies or windows of the Building. Curtains and drapes (or linings thereof) which face on exterior windows or glass doors of Units shall be subject to disapproval by the Board, in which case they shall be removed and replaced with acceptable items.
18. No structure of a temporary character, nor trailer, tent, mobile home or recreational vehicle, shall be permitted on the Condominium Property at any time or used on the Condominium Property at any time as a residence either temporarily or permanently. No gas tank, gas container or gas cylinder shall be permitted, except small containers for use in barbecue grills.
19. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted on, upon or in the Condominium Property, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be



permitted upon or in the Condominium Property. No other structure designed for use in boring for oil, natural gas or minerals shall be erected, maintained or permitted upon any portion of the Condominium Property.

20. No trucks or commercial vehicles, camper, mobile homes, motor homes, house trailers or trailer of every other description, recreational vehicles, boats or boat trailers or vans shall be permitted to be parked or to be stored at any place on the Condominium Property. This prohibition of parking shall not apply to temporary parking of trucks and commercial vehicles, such as for pick-up, delivery or other temporary commercial services, nor to any of the Developer's vehicles.
21. The requirements from time to time of any governmental agency for disposal or collection shall be complied with. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition.
22. No air-conditioning units may be installed by Unit Owners. No unit shall have any aluminum foil placed in any window or glass door or any reflective substance placed on any glass.
23. No exterior antenna shall be permitted on the Condominium Property or improvements thereon provided that Developer shall have the right to own, install and maintain community antenna and radio and television lines and other temporary communications systems.
24. No chain link fences shall be permitted on the Condominium Property or any portion thereof, except during construction by Developer.
25. Children will be the direct responsibility of their parents or legal guardians, including full supervision of them while within the Condominium Property and including full compliance by them of these restrictions and all the rules and regulations of the Association. All children under fourteen (14) years of age must be accompanied by a responsible adult when entering and /or utilizing the recreation areas or facilities.
26. No animals or pets of any kinds, except as may otherwise be provided in the Declaration shall be kept in any Unit.
27. No Unit Owner shall install a screen enclosure to or upon the outside walls or the Building or on the common Elements or Limited Common Elements without the prior consent of the Board of Directors.
28. No sign, advertisement, notice, lettering or descriptive design shall be posted, displayed, inscribed or affixed to the exterior of a Unit. No "For Sale" or "For Rent" or similar signs or notices of any kind shall be displayed or placed upon any part of a Unit by Unit Owners other than the Developer of the Association.

29. Every Owner and occupant shall comply with these Rules and Regulations as set forth herein, and any and all rules and regulations which from time to time may be adopted, and the provisions of the Declaration, By-Laws and Articles of Incorporation of the Association, as amended from time to time. Failure of an Owner or occupant to so comply shall be grounds for action which may include, without limitation, an action to recover sums due for damages, injunctive relief, or any combination thereof. The Association shall have the right to suspend voting rights and use of recreation facilities in the event of failure to so comply. In addition to all other remedies, in the sole discretion of the board of Directors of the Association, a fine or fines may be imposed upon an Owner for failure of any Owner, his family, guests, invitees or employees, to comply with any covenant, restriction, rule or regulation herein or in the Declaration, or Articles of Incorporation or By-Laws, provided the following procedures are adhered to:

- (a) **Notice:** The Association shall notify the Owner or occupant of the infraction or infractions. Included in the notice shall be a date and time of the next Board of Directors meeting at which time the Owner or occupant shall present reasons why penalties should not be imposed. At such meeting, the Owner or occupant shall be entitled to be represented by counsel (at his expense) and cross-examine and present witnesses and other testimony or evidence.
- (b) **Hearing:** The non-compliance shall be presented to the Board of Directors after which the Board of Directors shall hear reasons why penalties should not be imposed. Formal rules of evidence shall not apply. A written decision of the Board of Directors shall be submitted to the Owner or occupant by not later than twenty-one (21) days after the Board of Directors' meeting.
- (c) **Penalties:** The Board of Directors may impose a fine not in excess of Fifty Dollars (\$50.00) for each non-compliance or each violation.
- (d) **Payment of Penalties:** Fines shall be paid not later than thirty (30) days after notice of the imposition or assessment of the penalties.
- (e) **Collection of Fines:** No fine shall become a lien against a Unit. However, the Board may take such other affirmative and appropriate action as may be necessary to effect collection of fines.
- (f) **Application of Penalties:** All monies received from fines shall be allocated as directed by the Board of Directors.

- (g) **Non-Exclusive Remedy:** These fines shall not be construed to be exclusive and shall exist in addition to all other rights and remedies to which the Association may be otherwise legally entitled; however, any penalty paid by the offending Owner shall be deducted from or offset against any damages which the Association may otherwise be entitled to recover by law from such Owner.

30 These Rules and Regulations shall not apply to the Developer, nor its agents or employees and contractors, or to Institutional First Mortgagees, nor to the Units owned by either the Developer or such Mortgagees. All of these rules and regulations shall apply, however, to all other Owners and occupants even if not specifically so stated in portions hereof. The Board of Directors shall be permitted (but not required) to grant relief to one or more Unit Owner from specific rules and regulations upon written request therefor and good cause shown in the sole opinion of the Board.